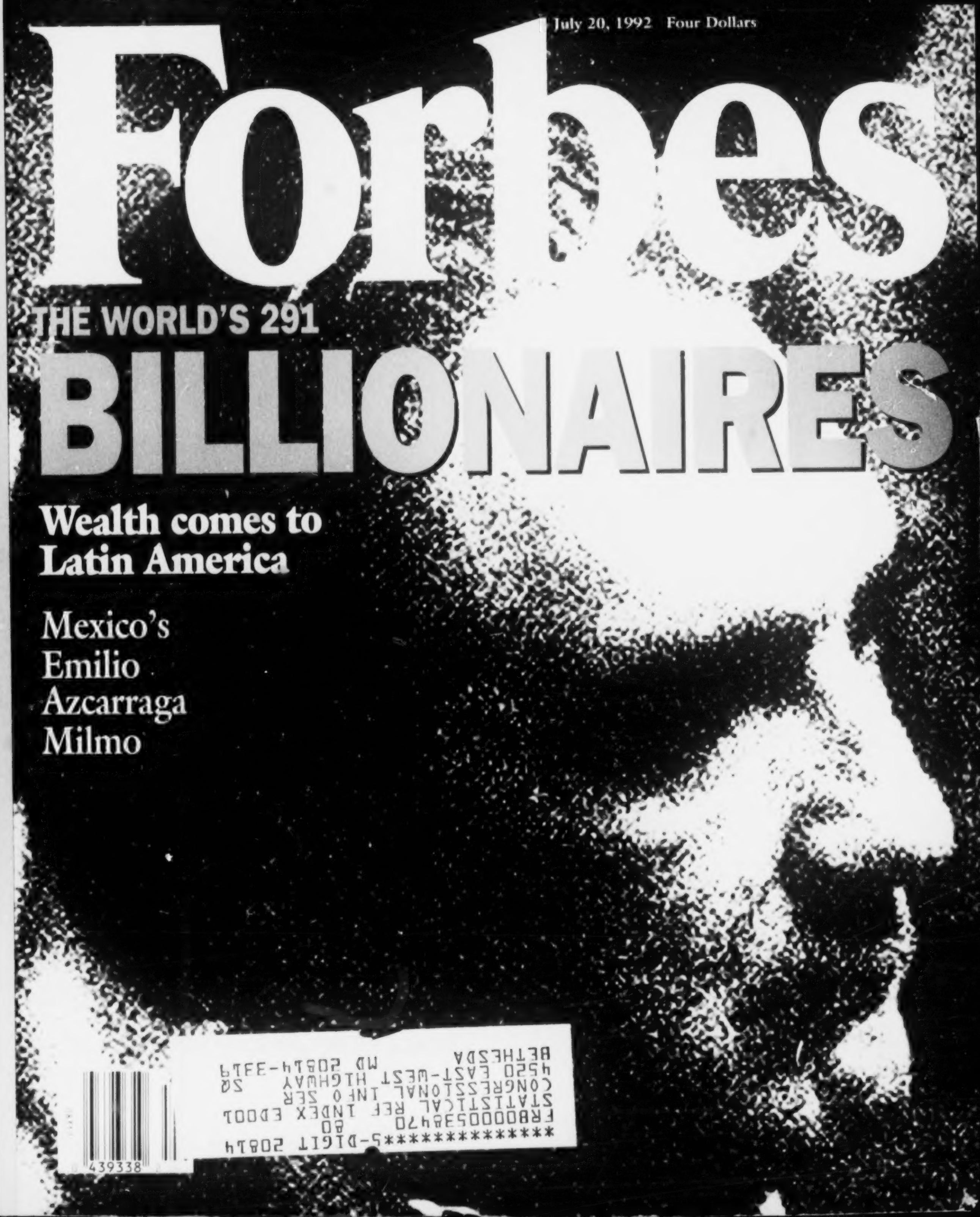
The Forbes International 500 survey

Foreign stocks to buy now

July 20, 1992 Four Dollars

Forbes



THE WORLD'S 291 BILLIONAIRES

Wealth comes to Latin America

Mexico's Emilio Azcarraga Milmo

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"I don't lose sleep over takeover threats. I lose sleep over lost opportunities."
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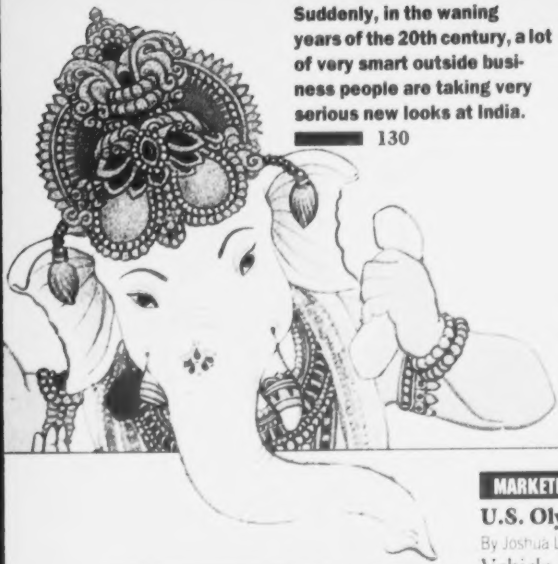

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FORBES (ISSN 0015-6914) is published biweekly except weekly during two weeks in October, by Forbes Inc., 60 Fifth Ave., New York, N.Y. 10011. Second-class postage paid at New York, N.Y. and at additional mailing offices. Canadian second-class postage paid, permit number 9490. GST # R125769513. POSTMASTER: Send address changes to Forbes, P.O. Box 10048, Des Moines, IA 50340-0048. Copyright © 1992 Forbes Inc. Title is protected through a trademark registration in the U.S. Patent Office.

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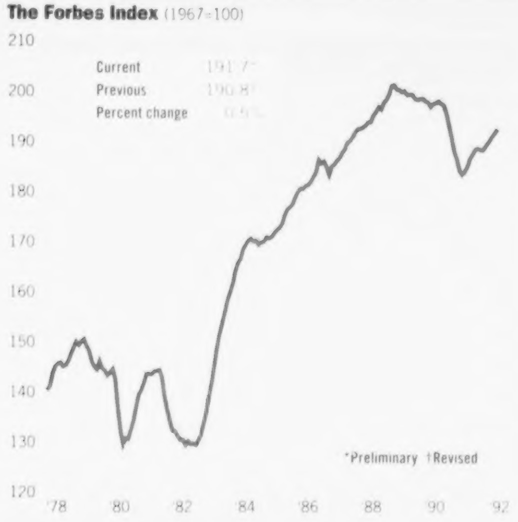
THE FORBES INDEX
BY TIMOTHY DODMAN



Wages and salaries rose 0.4% in March but are barely above year-ago levels in real (net of inflation) terms. A 2.4% decline in factory durable goods orders in May indicates demand is far from enthusiastic. And some economic indicators that seemed to be on the mend earlier in the year are once again getting weaker. The sinking economies of America's largest trading partners—Japan and Germany in particular—may make it tough for the U.S. to boost exports. The U.S. trade deficit in April hit $7 billion, the highest monthly figure since November 1990.

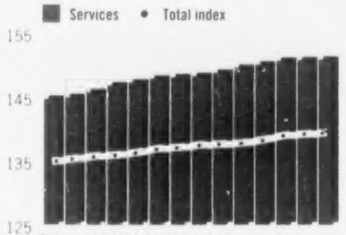
Other key rates	Source	Status
Prime rate	Chase Manhattan Bank	6.5%
Auto sales year to date vs 1991[1]	Ward's Automotive	1.2%
Index of leading indicators Apr vs Mar	Dept of Commerce	0.4%
Trade balance 12 months ended Apr 1992	Dept of Commerce	$66 bil
All-commodity producer price index May vs Apr[2]	Dept of Labor	0.7%
GDP 1st quarter vs 4th—annualized growth	Dept of Commerce	2.7%
M2 (3-month change)—annualized growth[3]	Federal Reserve	0.8%

[1] U.S.-based manufacturers; excludes imports, as of 5/30/92. [2] Wholesale goods. [3] Includes M1 (public currency and checking deposits) plus savings accounts and money market funds.

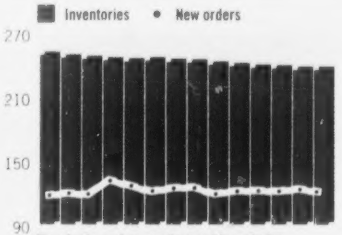
Index components

The Forbes Index is a measure of U.S. economic activity composed of 8 equally weighted elements: Total industrial production, new claims for unemployment compensation, the cost of services relative to all consumer prices, new housing starts, total retail sales, the level of new orders for durable goods compared with manufacturers' inventories, personal income, total consumer installment credit.

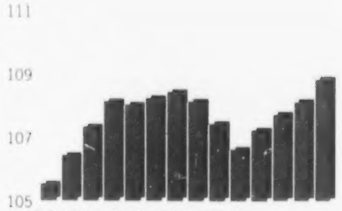
To measure these 8 elements, Forbes monitors 10 series of U.S. government data. The last 14 months data for each series are presented below.



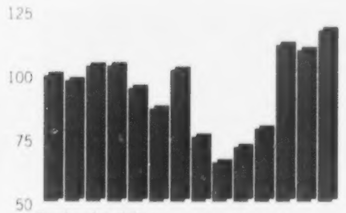
Consumer price indexes (1982-84 average=100) all urban consumers, unadjusted (Dept of Labor)



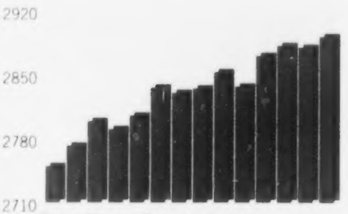
Manufacturers' new orders and inventories ($billions), seasonally adjusted (Dept of Commerce)



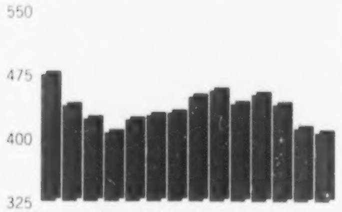
Industrial production index (1987=100) seasonally adjusted (Federal Reserve)



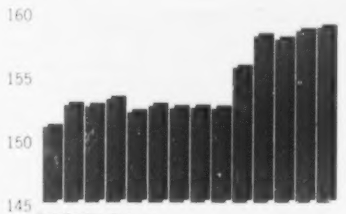
New housing starts (thousands) privately owned unadjusted (Dept of Commerce)



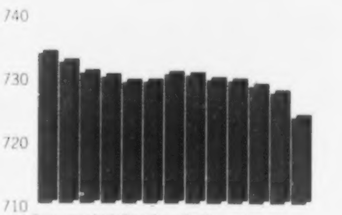
Personal income ($billions) wage and salary disbursements, seasonally adjusted (Dept of Commerce)



New unemployment claims average for month (thousands), seasonally adjusted (Dept of Labor)



Retail sales ($billions), seasonally adjusted (Dept of Commerce)



Consumer installment credit ($billions) total, seasonally adjusted (Federal Reserve)

A M J J A S O N D J F M A M

A M J J A S O N D J F M A M

A M J J A S O N D J F M A M

"I lose sleep over lost opportunities," says Quaker Oats Chairman William Smithburg, a man with circles under his eyes.

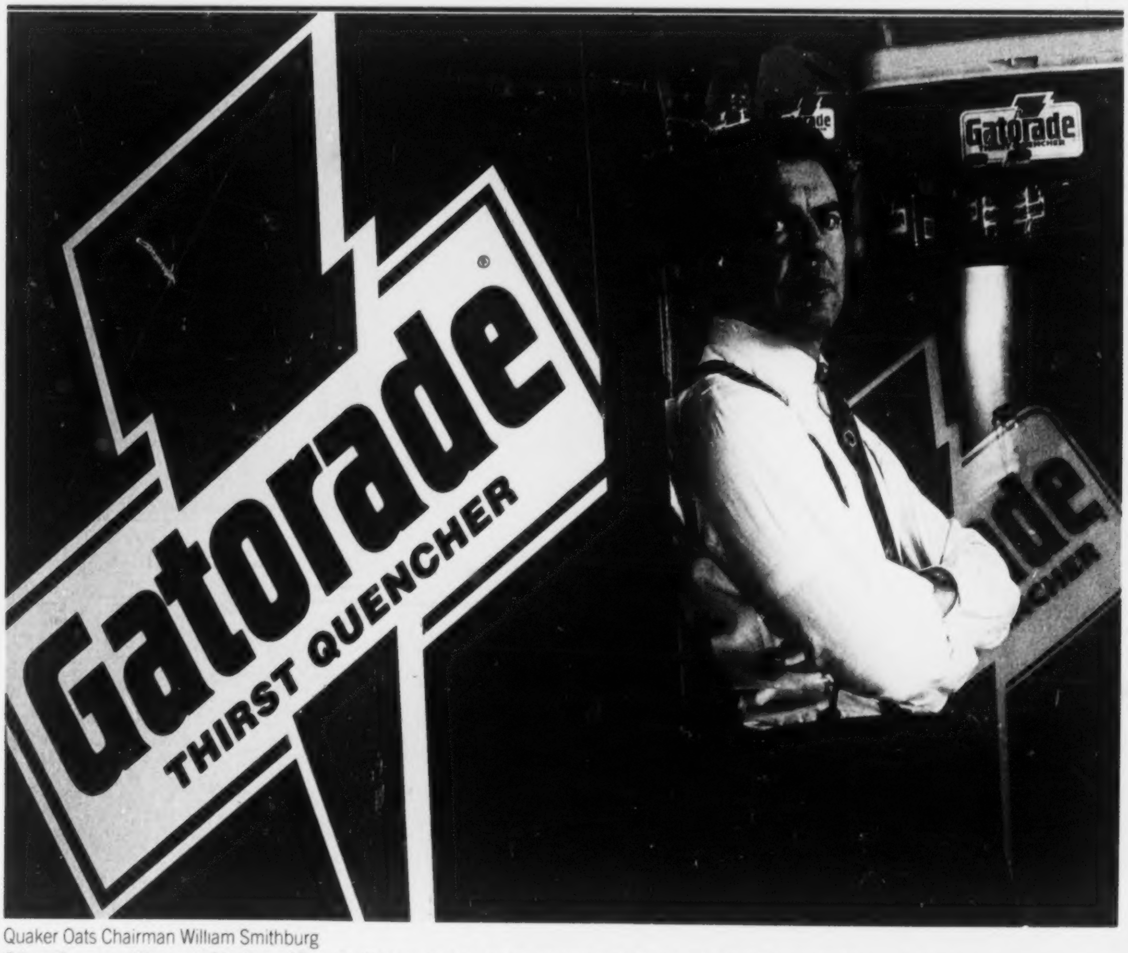
Opportunities lost

By Christopher Palmeri

William Smithburg is a tough competitor, has been for most of his 54 years. A shy and sickly child, he was afflicted with polio when he was 7, licked it and went on to become a tournament handball player. Today he plays tennis, goes helicopter skiing and enjoys dirt-biking with a small circle of friends who call themselves the A-Team.

So it was no surprise to those who know him that when Smithburg assumed the top spot at the Quaker Oats Co. 11 years ago, he quickly set about getting the company in shape, too. His predecessor, Robert Stuart, had diversified into restaurants, specialty retailing (Jos. A. Bank Clothiers) and toys (Fisher-Price). The branded food goods had almost become afterthoughts.

Smithburg got rid of these diversifications and used the proceeds to acquire several food companies. Last



David Carter

Quaker Oats Chairman William Smithburg

A tough competitor outside the office, Smithburg is letting multibillion-dollar markets slip away at home and abroad.

Without leading positions in growth markets, Quaker may always be less profitable and valued lower than its peers.

Following the leaders

Company	Price recent	Price 52-week high	Price 52-week low	Latest 12-mo EPS	P/E	Profit margin	Sales ($mil)	Market value ($mil)	5-year average ROE*	Price/ cash flow
General Mills	66⅛	75⅞	54¼	$2.98	22.2	6.2%	$7,153	$10,917	52.3%	16.4
HJ Heinz	36⅞	48⅝	35⅜	2.42	15.2	8.5	6,647	9,567	27.2	12.5
Kellogg	64½	67	47⅛	2.65	24.3	10.5	5,787	15,510	34.9	18.7
Quaker Oats	54⅞	75¾	50¼	3.25	16.9	3.8	5,491	4,189	24.8†	11.0
Ralston Purina	45⅞	58⅞	46⅛	3.23	14.2	5.3	7,376	5,069	38.1	8.0

*As reported in Forbes' Annual Report of American Industry, Jan. 9, 1992. †Three-year average, to reflect disposal of Fisher-Price.
Source: Value Line, via Lotus One Source.

year every nickel of Quaker's $5.5 billion in sales came from its food and drink brands, which include well-known names like Cap'n Crunch cereal, Aunt Jemima mixes and syrup, Gaines pet food, Gatorade sports drinks and, of course, its namesake Quaker Oats oatmeal.

Wall Street applauded. On a mere doubling of sales and earnings, Quaker's market value has increased seven times during Smithburg's tenure, handily outperforming the S&P 500 index and providing Smithburg with the best kind of takeover defense.

Lately, however, Quaker has started to flag. Its stock, recently at 55, is down 26% so far this year, and it is selling at much smaller multiples of earnings and cash flow than rivals General Mills and Kellogg *(see table)*. Profits in the quarter ending in March were 9% below the year-earlier level; profits for fiscal 1992, which ended June 30, are expected to be flat at $233 million ($3.15 a share). Smithburg explains that a change in the timing of trade promotions is holding back earnings this year.

But now analysts are once again talking of Quaker as one of the next big takeover targets. One of them, Donaldson, Lufkin & Jenrette's food analyst William Leach, figures Quaker's private market value is around $85 a share, a 50%-plus premium to its public market price.

Is Quaker in danger of losing its independence? "I don't lose sleep over takeover threats," snaps Smithburg, in what has become a prepared response to the question. "I lose sleep over lost opportunities."

As Quaker's stagnating earnings and drooping stock price suggest,

SPORTING

Can better technology really translate

EDS helped Prince answer a smashing yes.

Using sophisticated Unigraphics' technology from EDS, Prince Manufacturing has created **the most advanced tennis racquet on the market** today. It's called the Prince Vortex. And just six months after its introduction, it's already Prince's top-selling racquet.

Unigraphics is a computer-aided design and manufacturing system, based on client server technology, that speeds up the design process. With it, Prince can now examine 10 different racquet designs in the time it used to take to examine one. And design **changes that used to take weeks can now be accomplished in days**. As a result, Prince can get its new and

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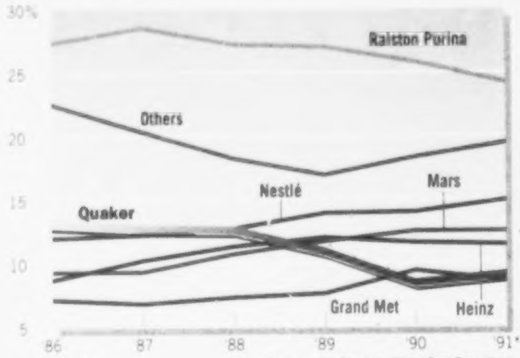
Smithburg has missed some big ones. Consider Europe. Cold cereal in Europe is one of the fastest-growing food categories in the world; markets like Spain, France and Portugal are growing at 30% a year, as more and more consumers switch from fruit and croissants. Overall, the European market for cereals is expected to double, to $6.5 billion, by the year 2000.

Quaker has been selling cold cereals in Europe since the late 1950s and was beautifully positioned to profit as the market took off. General Mills, by contrast, was a latecomer. In 1989, General Mills approached Quaker about a joint venture in Europe. Smithburg brushed them off, so the General Mills people created a joint venture with Switzerland's Nestle. Called Cereal Partners Worldwide, the Nestlé/General Mills venture has already passed Quaker in France, where Quaker's share of the breakfast cereal market has been cut nearly in half. Cereal Partners has also taken the number one spot in Portugal and number two spot in Spain, where Quaker's presence was weak.

Quaker bought tired brands in 1986 that gave it no competitive advantage. Now it's playing catch-up.

In the dog house

Pet food market share



*Estimate

Source: John Maxwell, Wheat First Securities

In the late 1980s Quaker had two opportunities to strengthen its European position by acquiring a British firm with a large share in shredded wheat cereals. That business was ultimately acquired by Cereal Partners.

Quaker is still in second place in European breakfast cereals, with about 6% of the market. But on present trends, Cereal Partners, with around 5%, could top Quaker in European cereal sales this year.

In branded consumer goods, market share counts. That's because the players with the biggest shares can devote a smaller percentage of their sales to marketing and still outspend their smaller competitors. "Smithburg hasn't gotten the company large enough to dominate its markets," says Goldman, Sachs' respected food

QUESTION:

into better products and better sales?

better products to market a lot sooner.

Response to the Vortex from consumers and retailers has been overwhelming. And Vortex **sales are already 28 percent higher** than Prince's next best-selling racquet.

"In this highly competitive industry, we count on technology to improve the quality of our products," says Steve Davis, Director of Research and Development at Prince. "A significant percentage of the improvements found in our racquets today can be credited to using EDS Unigraphics."

New technology **can improve your products while improving your bottom line**. EDS is the world leader in applying information technology. To find out how we could help you, contact Barry W. Sullivan, EDS, 7171 Forest Lane, M25, Dallas, Texas 75230. Or you can call us at (214) 490-2000, extension 125.

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analyst Nomi Ghez. "Being number four or five in a market means the business will be far less profitable than number one or number two."

Another of Quaker's missed opportunities is pet food. Quaker has had a presence in pet foods in Europe since the late 1950s. It acquired Ralston Purina's European operations in 1980 and now has 16% of the market, putting it second only to mighty Mars Inc. with a colossal 50% share. But here, too, Quaker is drifting toward third place. The challenger: Nestlé, once again.

NEU
felix
VOLLKOST

Paul Maxwell/Katz Saba

Quaker Europe's new president, Robert Thomason

Caught napping in Europe, the company now faces a catfight.

In 1985 Nestle bought Carnation Co., which had a fair size pet food business in the U.S. and a tiny one in Europe. Nestle decided to expand aggressively in European pet food. It now sells $500 million a year there and already claims the number two spot in France. The Swiss company could push Quaker (with sales of $680 million last year) into third place before the year 2000.

A mantra among international managers these days is, "Think global, act local." But in Europe, Quaker has acted so locally that its image is fuzzy. In Germany, for example, Quaker is best known as a pet food company. In Italy, Quaker is known as a corn oil company. In Holland, Quaker makes a popular health food cereal; in England, a sugary kids' cereal. In Scandinavia, Quaker's cereal products aren't even sold under the Quaker name.

This is because the company's regional managers were left to their own devices by headquarters in Chicago. Without a strong image across borders, Quaker gets less mileage out of its Common Market promotional expenditures.

Smithburg seems to understand the problem. In 1990 Quaker reopened a European headquarters office in Brussels; it provides centralized marketing and production planning. But it is an indication of Smithburg's tentative approach to Europe that he had closed this office in 1984, and that Quaker Europe is on its fourth president in two years. The new man, Robert Thomason, is the affable former head of Quaker's U.K. operations. A longtime Quaker employee, he is unlikely to make any waves.

At home, things don't look much better. Quaker's fourth-place 7% to 8% share of the $7.8 billion cold cereal market in the U.S. hasn't changed since the mid-1970s. Its last big cereal, Oat Squares, came out in 1987. Since then Kellogg has introduced 13 cereals, General Mills, 10 and Kraft General Food's Post division, 4. In response to a new Kellogg product, Quaker has just come out with a low-fat extension of its 100% Natural line. But still its innovation lags.

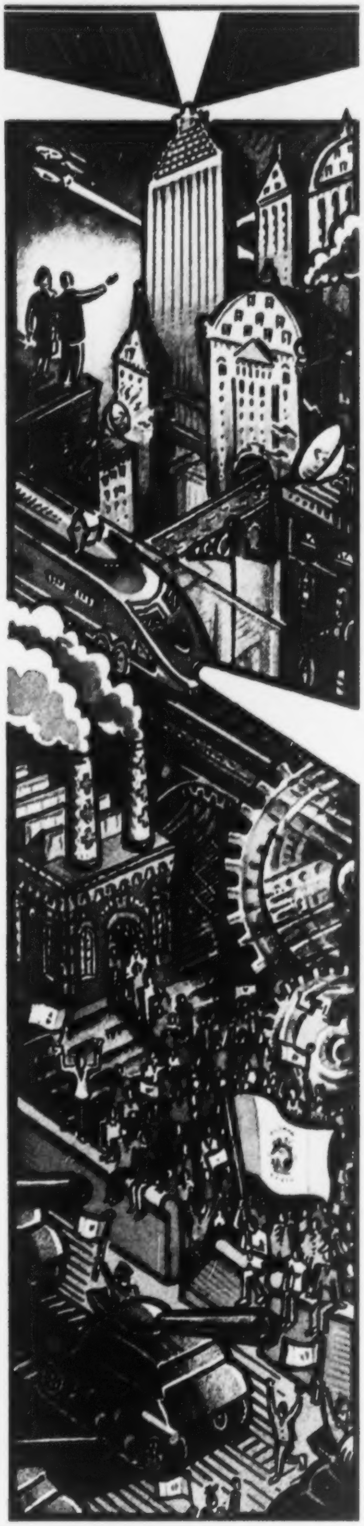
Quaker was the first on the market with a hot oat bran cereal in 1984. But when oat bran's popularity began to rise three years later, Smithburg failed to capitalize on it. The company finally began a $20 million launch of a cold oat bran cereal in late 1989—just months before the oat bran fad crashed. Quaker's Oat Bran now languishes on the shelves.

Smithburg's effort to gain market share in the U.S. pet food business hasn't amounted to much, either. In 1986 he acquired food processor Anderson Clayton for its Gaines pet food division. Gaines catapulted Quaker from fifth place to number two among U.S. pet food makers, but its Cycle and Gravy Train brands were tired products. Sighs Smithburg: "The [Gaines] brands needed more work than we thought." Sensing weakness, Mars and Ralston Purina increased their marketing spending and launched new pet food products, including products aimed at the booming superpremium pet food category. Recently Quaker has refocused on dry dog foods and is regaining some market share, but it is again fifth in pet foods.

Smithburg's one great triumph is Gatorade, which he acquired in 1983 through the purchase of Stokely-Van Camp. At a net cost of $95 million, critics said he overpaid. But Gatorade was his first big acquisition as Quaker's chairman, and for Smithburg the athlete, it was an extension of his personality. Determined to succeed, he spent heavily on marketing the drink, adding new flavors and packages and upgrading the product's sponsorships from stock car racing to the Olympics and Michael Jordan.

His determination paid off. It turned Gatorade from a regional product into an enormously profitable national brand. Sales in the U.S. should approach $1 billion this year, up from under $100 million when Quaker bought it, and foreign sales are beginning to surge. Today Gatorade earns more in a year than Smithburg paid for it.

Why haven't there been more Gatorades at Quaker during the Smithburg years? When asked why Quaker hasn't spent more aggressively to buy and build brands and market share in cereal and pet food, Smithburg responds: "I'm not going to try and outspend Nestlé and Kellogg's." Fair enough. But as Smithburg knows from his Gatorade experience, in consumer brands you've got to pay to play. No risk, no glory. No glory, no guarantee of independence. ■



The world's billionai

Edited by Harold Seneker

Reported by
Jean Sherman Chatzky,
Gale Eisenstodt, Diana Fong,
Pablo Galarza,
Philip Glouchevitch,
William Heuslein, Linda Killian,
Dolores Lataniotis, Joel Millman,
Kazumi Miyazawa, R. Lee Sullivan,
Lisa Twaronite, Gregory Viscusi,
Neil Weinberg

Forbes von Burda

Additional research by
Naomi Prall, Clarita Jones,
Cynthia Crystal, Linda Stinson,
Velma Van Voris, Anne P. Mintz

Picture research by Lorna Bieber

Where to find them

Country*	Page	Number of billionaires
Argentina	152	2
Australia	186	1
Brazil	158	5
Canada	158	10
Chile	152	3
Colombia	156	3
Denmark	198	1
France	187	9
Germany	202	44
Greece	196	3
Hong Kong	176	8
India	186	1
Indonesia	181	2
Italy	190	6
Japan	164	34
Korea	181	3
Lebanon	221	2
Macau	177	1
Malaysia	184	2
Mexico	150	8
Netherlands	198	2
Philippines	184	1
Saudi Arabia	214	6
Singapore	184	1
Spain	196	3
Sweden	198	3
Switzerland	197	7
Taiwan	177	6
Thailand	184	3
Turkey	220	3
United Kingdom	193	5
United States	161	101
Venezuela	156	1

*Plus the Aga Khan IV, page 221.

An index of billionaires appears on page 222.

res

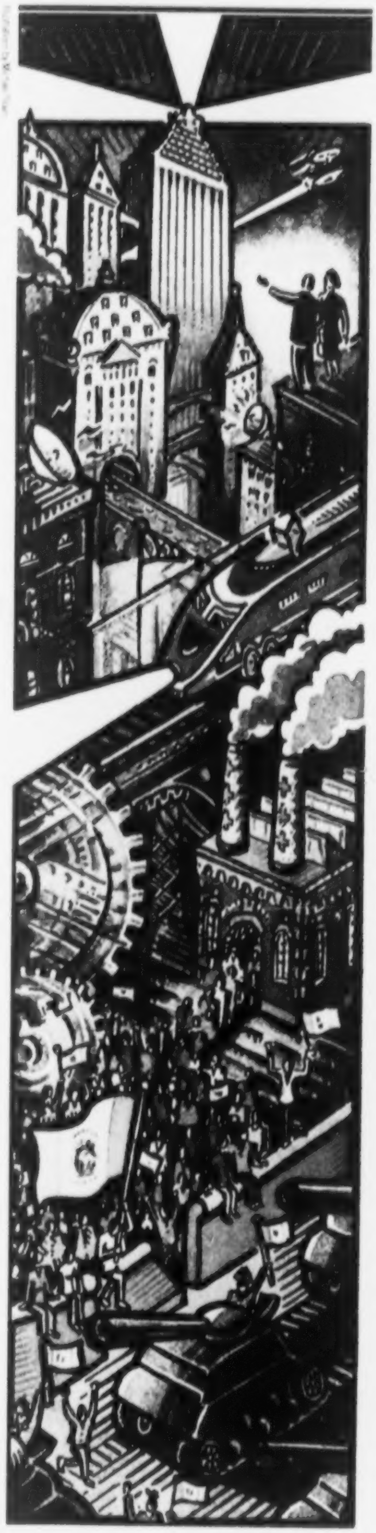
Call it the trickle up phenomenon—as a society grows richer it tends to produce large fortunes. The so-called trickle down theory—which was not a theory at all but a dishonest political slogan—had it all wrong.

Thus, although the U.S. is still the home of more billion-dollar fortunes than any other nation, Germany now has more in proportion to its population and so does Hong Kong. But the big surprise is that the surge of capitalist energy now flowing through Latin America has carried 13 additional Latin American business people to the Forbes listing of world billionaires.

There is nothing sinister about all this. Economic growth requires large-scale undertakings, and the people who most successfully organize these undertakings inevitably accumulate wealth. A simple peasant society is relatively egalitarian. But almost everyone is poor. A capitalist society shows wide disparities of income. But almost everyone is better off than they were in the days when the only way to make a living was by plowing the furrow. Attempts to combine industrial development with egalitarianism—called socialism—have failed miserably and at huge cost in human suffering.

Hong Kong is one of the erstwhile poor places that showed the way to the rest of the so-called Third World. It has been spreading the warm glow of prosperity through the chill of communist China (Forbes, *Aug. 5, 1991*). On page 40 we introduce our readers to Gordon Wu, a Hong Kong capitalist who is playing a leading role in opening China to capitalist penetration and prosperity.

The meaning of all this is quite clear: We needn't love our billionaires, but we should be grateful we live in a society that keeps creating new ones.



The Americas

Latin America

By Joel Millman

On this list last year, 8 Latin billionaires were visible. Now there are 21. Others crowd behind. When entrepreneurs flourish, so does an economy. Latin America didn't rise from the sea like Atlantis in reverse; it has close to 450 million people and a rich history. But for too long it suffered under socialism and its first cousin, feudalism. Having survived harsh economic and political conditions, these Latin billionaires are tough and smart. They are ready to become much larger players in the global economy.

What began in the 1970s in Chile as radical free-market heresy is now gospel in an entire continent.

Mexico

Mexico was the next Latin American country after Chile to put on the mantle of freer markets and freer economies. Being bigger (pop. 82 million), richer (all that oil) and nearer the colossus to the north, it has grown the most. No surprise, then, that this once poor country has created more billionaires than any other Latin nation.

Emilio Azcarraga Milmo

Net worth: $2.8 billion

Emilio Azcarraga may be the richest man in Latin America. In 1930 his father founded one of the country's first radio stations and built it into a Mexican communications empire before he died, in 1972. Emilio has built on that and today controls radio, TV, publishing and satellite properties under the corporate banner of Televisa, now a publicly held stock. If not an actual monopoly, Televisa dominates Mexican media and is a power wherever Spanish is spoken.

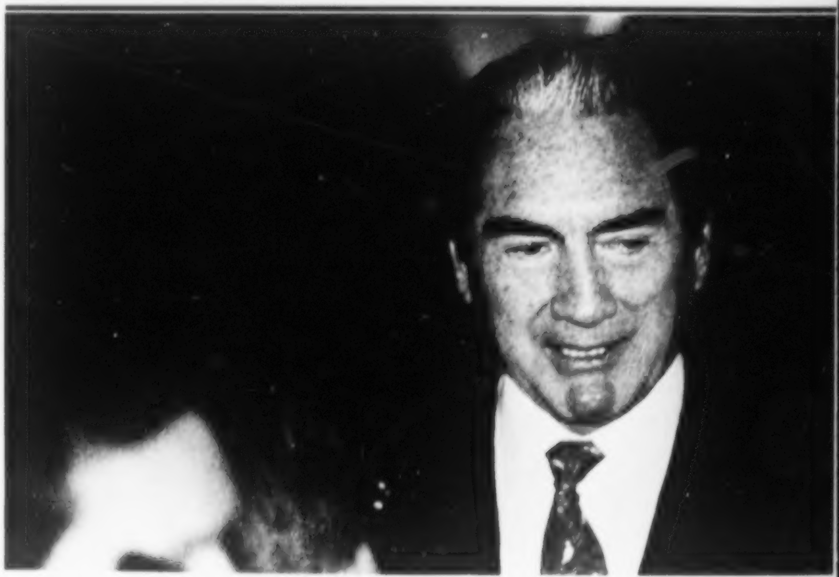
So secretive is Azcarraga about his business affairs that nobody could make even a rough estimate of the Azcarraga wealth until last December when he opened his books in connection with a public offering of Televisa shares. The market valued Televisa at $3.4 billion. Azcarraga owns 65% of the 309 million shares.

Not absolutely everything Azcarraga touches turns to gold. He lost heavily with his ill-fated U.S. venture, *The National*, which was launched in 1990 as the U.S.' first all-sports daily. The paper lost $150 million before Azcarraga shut it down last year. But the fiasco was a blessing in disguise to the Mexican mogul. Upset with his management, his minority partners in Televisa, Romulo O'Farrill and Miguel Alemán—son of the former president—agreed to sell out to him. Azcarraga had no trouble raising the money, thanks to the public share offering and some asset sales.

In the weeks following its going public, Televisa bought 49% of Chile's only private TV network, Megavision. Azcarraga also began talks with Venezuela's Cisneros Organization (owner of that country's biggest private TV network) to forge a regional programming and broadcasting empire. Televisa also has deals in Argentina and Brazil.

Nicknamed "El Tigre"—as much for his uncanny ability to pounce at the right time and for his toughness as for the cowlick of white in his otherwise black hair that resembles a tiger's tail—Azcarraga shuns the media. What's known is that he is 61 and attended Culver Military Academy but left without graduating. He was born in San Antonio; his mother was an American citizen. But when he became 18 Emilio Azcarraga chose Mexican citizenship.

As his nickname implies, Azcarraga is tough. Televisa demands that all advertisers pay for what usually amounts to two-thirds of their year's worth of advertising before Jan. 1—an interest-free loan to Televisa. Un-



der Mexico's inflation-adjusted accounting principles, Televisa becomes a "debtor" to its customers, owing purchased commercial minutes that are whittled down throughout the year.

Televisa and all other broadcasters have the rare privilege of paying their Mexican federal taxes in kind: by airing public service announcements for government ministries.

In the the mid-1980s Televisa was forced by the U.S. government to divest its interests in U.S. Spanish-language TV stations. Without the stations Azcarraga no longer wanted Televisa's U.S. Spanish network, SIN; he sold it to Hallmark.

That the tiger is ready to pounce again in the U.S. became clear at a meeting of Mexican business leaders and U.S. Commerce Secretary Mosbacher in Monterrey over a year ago. Azcarraga bluntly demanded to know whether the proposed Free Trade agreement meant he would be able to own TV stations in El Norte. The answer was ambiguous, but Azcarraga knows time is on his side.

Sergio Dorantes

Azcarraga (left)
and Televisa studio

From a Mexican base may come Spanish TV from pole to pole.

Thus in April he joined a consortium of investors (including the Cisneros brothers of Venezuela, fellow FORBES billionaires) to buy back the old SIN network, now called Univision. The new owners probably got a bargain, since Hallmark couldn't make a go of it. Meanwhile, Televisa's U.S. cable network, Galavision, already reaches Hispanic homes from Chicago to Los Angeles.

The Tiger is on a roll. In April Azcarraga announced he would raise advertising rates by 15% in 1993 as Mexico's boom continues. Then, when the Mexico City Bolsa took a tumble in June, he announced Televisa would buy back up to $30 million worth of its shares at the depressed prices.

Arango brothers

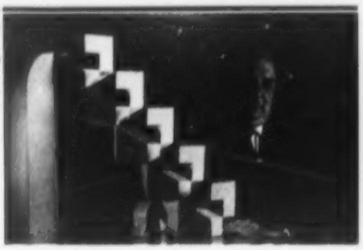
Net worth: over $1 billion

Jeronimo Arango, 66, is chairman of Cifra, the largest discount retailer in Mexico City and northern Mexico (FORBES, *Aug. 5, 1991*). He cofounded and co-owns the company with his brothers Placido, 61 (who lives in Spain), and Manuel, 55. Cifra has a joint venture with Wal-Mart to own and operate most of Cifra's new stores.

Lorenzo and Marcelo Zambrano

Net worth: $2 billion

The nephew and uncle run family cement company Cemex, started in 1906. They raised cash through debt and equity offerings during the late 1980s to acquire competitors. Cemex is now the predominant Mexican producer, with two-thirds of the booming market. The company was penalized for dumping cement in the U.S. in 1990. Marcelo, 68, chairman; Lorenzo, 48, a Stanford grad, is CEO.



Marcelo Zambrano

The king of Mexican cement.

Carlos Slim Helu

Net worth: $2.1 billion

The son of a Lebanese immigrant, Slim started construction, real estate and stock brokerage firms in the mid-1960s. He used cash flow to buy control of depressed Mexican companies in early 1980s. His Grupo Carso mushroomed as the Mexican economy came back in the late 1980s. He bought control of Teléfonos de México in 1990 (FORBES, *Sept. 16, 1991*). We call Slim, now 52, "El Conquistador"; it is an apt nickname.

Garza-Sada family

Net worth: $3.8 billion

Interrelated branches of the Garza-Sada families control steel and petrochemicals company Alfa; glassmaker Vitro (which owns Anchor Glass in U.S.); plastics and chemicals firm Grupo Cydsa. Another major holding of this Monterrey-based family is Femsa, producer of Dos Equis and Tecate beer. The Garza-Sadas' bank, Banco Serfin, was nationalized in 1982 but is now back in family hands.

Roberto Hernandez

Net worth: over $1 billion

Hernandez, 50, cofounded the respected Mexico City-based stock brokerage firm Acciones y Valores in 1971. His wealth grew on canny investments made in depressed Mexican stocks in the early 1980s (FORBES,

Hernandez (left) and Harp Helu

Classic story: Buy low, ride high.

Apr. 16, 1990). In February he acquired Banco Nacional de México from the government. A holding company, Banacci, controls both the bank and the stock brokerage firm. Hernandez owns 10% of Banacci.

Alfredo Harp Helu

Net worth: over $1 billion

Harp, 48, is the first cousin of billionaire Carlos Slim Helu. He went to college with Roberto Hernandez, with whom he cofounded Acciones y Valores. Like Hernandez, Harp owns 10% of holding company Banacci.

Eliodoro Matte

The Mattes' own bank financed them.

Chile

Anacleto Angelini

Net worth: $1.1 billion

Most lucrative Angelini holding is 30% control of Chile's big conglomerate Copec, whose gasoline stations dot the country and which owns petroleum, pipelines, refining, distribution and liquefied natural gas plus forestry and retailing. Angelini lined up partners from New Zealand and bought Copec from Cruzat Group, when the giant conglomerate crashed in Chile's 1982 slump. Clan head Anacleto Angelini, now 78, emigrated from Italy with late father in 1940s, opened paint factory and construction business.

Luksic family

Net worth: $1.1 billion

Originally Croatian, the Luksic family owns Banco O'Higgins (named for Chile's national liberator Bernardo O'Higgins), prominent in the debt-for-equity deals that helped get Chile's boom going. The family group, founded by two brothers, Vladimir and Andronico, and run by the latter's sons, Guillermo, 36, Jean Paul, 27 and Andronico Jr., 38, controls assets stretching from Antofagasta Railway in the northern Atacama Desert to CNT Telefonica del Sur, the phone company serving Chile's southern fjords.

The family has diversified into brewing, hotels, farming and TV, plus stakes in two of Chile's biggest private mines, Los Pelambres and Lince. Its Madeco, S.A. does smelting and makes copper cable. Today the Luksics look outward, linking with South Korea's Lucky Goldstar and South Africa's Anglo American and having absorbed Argentina's Indelqui. They're looking to expand in brewing and beef, also in Argentina.

Matte family

Net worth: over $1 billion

Old line landholders dating to Spanish rule. Core of their modern wealth is La Papelera, a big paper company based on Chile's rich southern forests, that exports its products throughout the world.

Also own Banco Bice, one of Chile's largest. Today patriarch Eliodoro Matte Ossa, 85, and sons look to neighboring Argentina. Chile has become so prosperous that it is a source of capital in Latin America.

Argentina

Rocca family

Net worth: over $1 billion

Agostino Rocca (d. 1978) was Benito Mussolini's steel minister before immigrating to Argentina in 1945 and founding Techint Group, a steelmaking and construction outfit, in 1946 (FORBES, *Dec. 23, 1991*). Under son Roberto, now 70, Techint has expanded into oil exploration, waste management and toll roads. Its steelworks, Siderca, sells seamless pipe for oil drilling. Under Argentina's privatization program Techint has picked up a railroad. Soon they will be bidding on the big Somisa steel mill, which has been losing $1 million a day under the direction of the army.

The Roccas, still Italian citizens, deny they are even close to being billionaires. FORBES disagrees.

Roberto Rocca

Just an affluent Italian-American.

Perez Companc family

Net worth: $2 billion

The Perez Companc clan owns 62% of the shares in their publicly traded Compañia Naviera Perez Companc. Founded 46 years ago, the company runs everything from the former King Ranch holdings on the pampas to nuclear power to Argentina's largest private bank (Banco Rio de la Plata). It is also exploring new ventures in the U.S., Peru, Brazil, Uruguay.

In the late 1980s Perez Companc and some partners bought up Argentinean sovereign debt at pennies on the dollar; in 1990 they traded the debt to the government for an interest in the state owned telephone company, which was split into two entities—Telecom and Telefónica. When the state took them public in 1991, Perez Companc's $120 million investment was worth some $500 million.

The family is led by two surviving grandchildren of the company's founders: 57-year-old Gregorio Perez Companc and his 72-year-old sister, Alicia.

Colombia

Colombia is bigger and richer than many think: 32 million people and a thriving noncocaine economy. Its bolsa has nearly quadrupled since early 1991 (to a recent market cap of $8.1 billion). Many South America watchers believe Colombia will be the continent's next country to take off.

Julio Mario Santo Domingo

Net worth: over $1 billion

Santo Domingo, 66, controls 75% of Santo Domingo Group. Started by his father ("I am a product of inheritance," he says), it owns Colombia's Bavaria S.A. brewery and Avianca Airlines. Bavaria is the world's fifth-largest brewer; it acquired two breweries in Ecuador in 1983 and Portugal's Central de Cervejas last year, giving Santo Domingo virtual monopolies in Colombia and Ecuador, and about a 50% market share in Portugal.

Avianca was in terrible shape when Santo Domingo took control in 1985, buying out his rival, the Ardila Lulle Group. But there was nostalgia: Julio's father was reportedly the first Colombian to fly over Colombia. Santo Domingo will continue to invest to rescue the airline. Other assets include Banco Comercial Antioqueño, Colombia's third largest private bank; an insurance company; and a nationwide TV and radio network.

Like many Colombians, Santo Domingo despises Colombia's drug lords—in 1989 the so-called Extraditables blew up an Avianca jet in midair (107 killed). Avianca long ago dropped out of the cargo business because so many flights arrived in the U.S. carrying drugs. With Colombia considered the next boom market in Latin America and the publicly traded shares of the Santo Domingo Group's companies racing ahead, there will be easier ways to make money.

Pablo Escobar Gaviria

Net worth: over $2 billion

Ochoa family

Net worth: over $2 billion

And what of the narco billionaires? They're relaxing, in "jail."

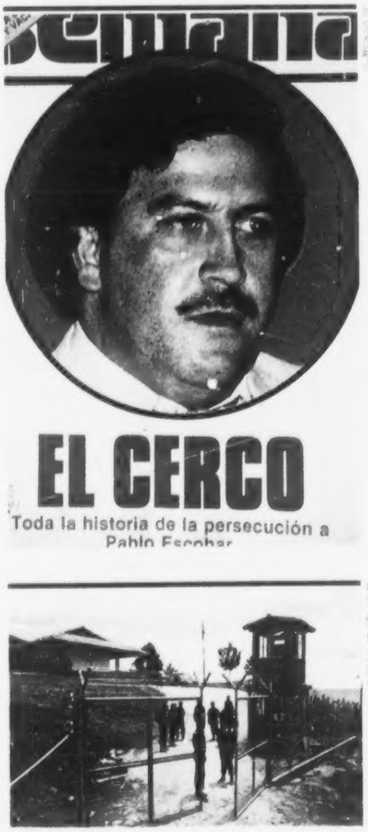
Escobar Gaviria, 42, cofounder and head of the Medellín cocaine cartel, is in his self-designed prison in Envigado, Colombia, widely believed to still be running his cartel and managing the $2 billion he probably took out of the 1980s cocaine boom. Escobar's Medellín cartel cofounders, the Ochoa brothers Juan David, 44, Jorge Luis, 42, and Fabio Jr., 35, are also in comfortable Colombian jails. Among them, the Ochoas are believed to have cleared over $2 billion from the cocaine trade.

The Medellín cartel is being overtaken by the Cali cartel, which may now have two-thirds of the cocaine market. But the thugs who run Cali haven't been in business long enough yet to have accumulated a billion.

Escobar and the Ochoas clearly have talented people moving and laundering their billions of ill-gotten proceeds. Says one police source: "We are always chasing our tail on this, because they are always way ahead of us in terms of their innovative laundering techniques."

But perhaps the police are looking too closely at high-tech techniques. Electronic fund transfers leave trails. Some sources whisper that the Ochoas and Escobar may be moving their money into Colombia from the U.S. the old fashioned way, in planeloads or sealed oil-drum loads of untraceable greenbacks. Colombia's liberalized foreign trade rules help other local businessmen move their goods. Why not the drug lords, too?

–Pablo Galarza


Semana
EL CERCO
Toda la historia de la persecución a Pablo Escobar

Escobar and his "jail"

Ordering more planes, oil drums.

Venezuela

Cisneros brothers

Net worth: over $1 billion

The $1-billion-plus Cisneros brothers, Gustavo, 47, and Ricardo, 43, run Venezuela's biggest private business, with aluminum, supermarkets and television. In February those TV stations came in handy, giving President Carlos Andres Perez a forum to denounce a military coup in progress.

Overseas they've long had British real estate, and in the U.S., Spalding sports equipment and Even-flo baby supplies. Their Venevision is about to launch the Spanish Cable Network in the U.S. They already sell programming to 25 countries, a market that will grow as state television networks privatize and incomes rise. The Cisneroses are considering U.S. broadcast TV, maybe teamed with Mexican broadcasting billionaire Emilio Azcarraga Milmo *(see Mexico)*, whose Televisa already does program swaps with them.

Brazil

While Chile and Argentina privatized and encouraged growth, Brazil talked about it but did little: Much of the economy still falls under state control, and too many Brazilians retain a vested interest in hyperinflation—still running at 25% a month, despite price controls.

But even Brazil is stirring. Brazilians have begun, painfully, to form a consensus about reforming their economy. State industries really are being privatized, private companies are returning to the bond markets for expansion money, and equity markets are rising.

Four of the five Brazilian billionaires began in the construction business, but all have diversified widely.

Ermirio de Moraes family

Net worth: over $1 billion

Ermirio runs the family conglomerate, Votorantim. It has over 50% of Brazil's cement market, and is big in aluminum, mining, paper and chemicals. The conglomerate is adding citrus by buying orange groves to produce and export juice.

Roberto Marinho

Net worth: over $1 billion

At 87, the builder of the $1 billion (sales) *O Globo* newspaper and *Rede Globo* TV-based conglomerate (from his father's single newspaper) is presently launching Brazilian cable TV. He hopes to participate in the privatization of Brazil's state-owned telecommunications systems, which serve half the continent and 150 million people. He's looking to practice with Portugal's newly privatized TV network.

Almeida brothers

Net worth: $1.3 billion

Cecilio, 62, and Enrico, 56, founded C.R. Almeida in 1954. The favored construction company in Paraná state, it built highways in the São Paulo-Curitiba corridor and is now looking for overseas contracts. Four Almeida sons help run the group, which is worth at least $1.2 billion and is diversifying into heavy construction and chemicals.

Andrade brothers

Net worth: over $1 billion

Gabriel, 66, and Roberto, 77, cofounded Andrade Gutierrez in 1948 with fellow engineering student Flavio Gutierrez. They built interstate highways, then dams, then urban projects—including Brasilia's subway. The brothers' two-thirds of the company is worth about $1 billion. Also active internationally, in Portugal, Zaire, Colombia, even building a condominium in Orlando, Fla.

Sabastião Camargo

Net worth: $1.2 billion

Founder of construction-based conglomerate Camargo Correa, the government's preferred builder for São Paulo state (20% of Brazil's population, over one-third of its GDP), Camargo's three sons are in the company but, at 83, he still won't let go. Worth at least $1 billion. Also involved with chemicals.

Canada

By Linda Killian

Edward S. (Ted) Rogers

Net worth: $1.1 billion

Rogers' father died when he was five, leaving an estate in disarray. All the assets, including his Toronto radio station, had to be liquidated. Ted Jr. never forgot. "I wanted to restore his name," he told FORBES. "I've always been driven by that." Now 59, Rogers has built Rogers Communications Inc. into a multibillion-dollar cable TV, cellular and telecommunications business (FORBES, *Feb. 19, 1990*), making him a new billionaire. Most important, he says, is ensuring that the company continues after he's gone. His four children show interest in the company, but his successor will be a professional manager. This year the company issued stock to pay down some of its $1.5 billion debt—and Rogers sold 6 million personal shares to pay off his own loans. But he's still building. Next Rogers plans to offer long distance phone service, competing against Bell Canada. Thanks to interest costs and depreciation charges, Rogers hasn't made a profit in ten years. "It's really stupid," says Rogers, "to cut out your long-term growth for short-term profitability."

Kenneth Roy Thomson

Net worth: over $6.2 billion

Thomson Corp.'s stock has held steady as other publishing, travel and retailing companies have suffered in the recession. Reasons: Under the attentive oversight of Kenneth Thomson, 68, the company runs small-town monopoly newspapers in the U.S. and Canada, and low-overhead niche titles like the *American Banker*.

The chief competitor of its British travel division has gone bust. Even Thomson's once-troubled Hudson Bay Co. is faring better than most Canadian retailers. On the family front, Lord Thomson's eldest son David, 35, is being groomed to take over the empire.

Charles Bronfman

Net worth: $2.2 billion

Since selling his Montreal Expos baseball team last year for $100 million,

Bill Becker/Canapress

Charles Bronfman

Israel's made more than baseball.

Bronfman, 61, has put more money into troubled Cineplex Odeon to help pay down debt. His voting share is now up to 36%; it's worth around $50 million. Meanwhile, his Israeli investments—including ECI Telecom, Teva Pharmaceuticals and Optrotech, an electronics firm—are doing well and are together worth about $500 million. Value of the 17% of Seagram he inherited from his father: $1.7 billion.

K.C. Irving and sons James, Arthur and Jack

Combined worth: over $5 billion

In New Brunswick, the saying is you either work for the Irvings, do business with them or compete against them, but there's no way you can avoid them. The Irvings own gas stations, oil refineries, shipyards and ships, paper mills, forests, media properties. Founder Kenneth Colin, 93, is ailing, but sons James (Oily), Arthur (Gassy) and Jack (Greasy), all in their 60s, have reputations for hard work. They continue to expand in the U.S., where they already own over 300 gas stations and convenience stores in New England. A source close to the family says they won't be happy until their empire reaches Florida.

Garry and Galen Weston

Net worth: $2.2 billion and $1 billion, respectively

Galen Weston, 51, plays polo with the Prince of Wales and runs and owns 57% of Toronto-based grocery store and packaged food giant George Weston, Ltd., founded by his grandfather. He is dipping a toe in the U.S. food market with Crispy Crunch—the biggest-selling chocolate bar in Canada—and chocolate chip cookies and other packaged foods that the company makes for Wal-Mart and other chains. He also has a residential development under construction in Vero Beach, Fla. His Toronto-based Holt Renfrew is a tony chain of department stores, much like Henri Bendel or Bergdorf Goodman.

Brother Garry Weston, 65, is based in London, where he is chairman and 63% owner of another food giant, Associated British Foods, with interests in baking, grain trading and packaged foods. Profit is down slightly because of the cost of the late-1990 acquisition of British Sugar Plc., for $1 billion.

Eaton family

Net worth: over $1.2 billion

In recent years T. Eaton Co. Ltd., Canada's preeminent department store chain (estimated sales, $2.1 billion), has donated over $150,000 to Prime Minister Brian Mulroney's Tories. Last fall Mulroney named Stefan Eaton, 54, to be Canada's ambassador to Great Britain. Fred's brother, George Ross, 46, replaces him as company president. Two other brothers—Chairman John Craig, 55, and Thor, 49—help run the 123-year-old family company, Canada's third-largest retail chain behind Sears and Zellers. Through their stores, the Eatons own prime downtown real estate in major Canadian cities. They also hold 53% of public Baton Broadcasting, with 17 TV stations in Canada.

Are the Reichmanns in trouble?

Paul Reichmann

At bay.

DON'T BET on it (FORBES, *July 22, 1991*).

Gulp! We sure blew that one.

Figuring private individuals' net worth requires endless intelligent digging, but in the end what we have are only highly educated guesstimates. Most are surprisingly close to the mark, but from time to time our estimates go haywire. We blush over our 1991 estimate for Canada's Reichmann brothers—Albert, 62; Paul, 60; and Ralph, 57.

We figured their net worth at about $7 billion. But in May an account filed with the Ontario Court of Justice said debts of the Reichmanns' development company, Olympia & York, exceeded its assets by $2 billion.

We seem to have been off by a nice, round $9 billion.

Actually, it wasn't that bad. An analogy: Suppose you buy a $100 stock on 50% margin. The stock drops to $45. If you're forced to sell into a distressed market, you're wiped out. After you sell, the stock may rebound—it was always worth more than $45 a share. When you are in financial trouble it isn't what property is worth that matters; it's what the market will pay.

We greatly underestimated the impact of the real estate slump on the current market value of even prime properties. We had plenty of company—including some of the smartest banks in the world.

Are the Reichmanns really underwater? We doubt it. Take Canary Wharf, the Reichmanns' 71-acre office and commercial project in the London docklands. O&Y sank around $3.2 billion into the project. Debt on it is just $2 billion—but the project is still in the development stage and cannot on its own throw off enough cash to meet that relatively small amount of debt.

Did the Reichmanns' assets really shrink by $9 billion in just one year? Of course not.

We were overgenerous in our assessments a year ago, but the market is unrealistically low today. We think that when the smoke clears, the Reichmanns will still be very rich. But for now they are off our list of the superrich. —L.K.

Made in America

Just over one-third of the world's billionaires are U.S. citizens. By our figures, there were 101 individuals or families in the U.S. with an estimated net worth of $1 billion or more out of a world total of 291. Germany, perhaps in part because it has minimal estate taxes, has proportionately more billionaires. With less than a quarter of the U.S. population, Germany has 44 billionaires or billionaire families. And even though the Japanese stock market and realty crashes have eliminated 7 billionaires from our list, Japan still has 34 individuals or families who qualify. Biographical and financial summaries of the American billionaires will appear in the eleventh annual Forbes Four Hundred issue this fall.

Name/Source of wealth	Net worth ($billions)
Gates, William Henry III/Microsoft	$6.4
Kluge, John Werner/Metromedia	5.9
Walton, Alice L./Inheritance (Wal-Mart Stores)	4.8
Walton, Jim C./Inheritance (Wal-Mart Stores)	4.8
Walton, John T./Inheritance (Wal-Mart Stores)	4.8
Walton, Helen/Inheritance (Wal-Mart Stores)	4.7
Walton, S. Robson/Inheritance (Wal-Mart Stores)	4.7
Buffett, Warren Edward/Financier	4.4
Wexner, Leslie Herbert/The Limited	3.7
Hillman, Henry Lea/Industrialist, venture capital	3.3
Arison, Ted/Carnival Cruise Lines	3.3
Redstone, Sumner Murray/Movie theaters, investments	3.2
Allen, Paul G./Microsoft	3.1
Newhouse, Samuel Irving Jr./Publishing, cable TV	2.8
Newhouse, Donald Edward/Publishing, cable TV	2.8
Bronfman, Edgar Miles Sr./Seagram Co.	2.4
Packard, David/Hewlett-Packard	2.4
Pritzker, Jay Arthur/Financier, manufacturing	2.3
Pritzker, Robert Alan/Financier, manufacturing	2.3
Perot, Henry Ross/Electronic Data Systems	2.2
Crown, Lester & family/Inheritance, industrialist	2.1
Mars, Forrest Edward Sr./Candy	2.0
Mars, Forrest Edward Jr./Candy	2.0
Mars, John Franklyn/Candy	2.0
Vogel, Jacqueline Mars/Candy	2.0
Anthony, Barbara Cox/Inheritance	2.0
Chambers, Anne Cox/Inheritance	2.0
Turner, Robert Edward (Ted) III/Turner Broadcasting System	2.0
Murdoch, Keith Rupert/Publishing	2.0
Bass, Sid Richardson/Oil	1.8
Bass, Lee Marshall/Oil	1.8
Koch, Charles de Ganahl/Inheritance (oil services)	1.8
Koch, David Hamilton/Inheritance (oil services)	1.8
Annenberg, Walter Hubert/Publishing	1.7

Name/Source of wealth	Net worth ($billions)
Knight, Philip Hampson/Nike	$1.6
Perelman, Ronald Owen/Leveraged buyouts	1.5
Bass, Robert Muse/Oil, investments	1.5
DeVos, Richard Marvin/Amway	1.5
Van Andel, Jay/Amway	1.5
Tisch, Preston Robert/Loews Corp.	1.5
Tisch, Laurence Alan/Loews Corp.	1.4
DeBartolo, Edward John/Shopping centers	1.4
LeFrak, Samuel Jayson/Real estate	1.4
Hewlett, William Redington/Hewlett-Packard	1.4
Bechtel, Stephen Davison Jr. & family/Engineering, construction	1.3
Getty, Gordon Peter/Inheritance (oil)	1.3
Helmsley, Harry Brakmann/Real estate	1.3
Ziff, William Bernard/Publishing	1.3
Hunt, Ray Lee & family/Inheritance (oil, real estate)	1.3
Davis, Marvin Harold/Oil, entertainment, real estate	1.3
Kroc, Joan Beverly/Inheritance (McDonald's)	1.3
Stern, Leonard Norman/Pet supplies, real estate	1.2
Johnson, Samuel Curtis/Johnson wax	1.2
Ludwig, Daniel Keith/Shipping, real estate	1.2
Johnson, Edward Crosby III & family/Investment management	1.1
Bren, Donald Leroy/Real estate	1.1
Rockefeller, David Sr. & family/Inheritance, banking, real estate	1.1
Fribourg, Michel & family/Grain trader	1.1
Gaylord, Edward Lewis/Media, real estate	1.1
Murdock, David Howard/Investments	1.1
Walton, James Lawrence/Wal-Mart Stores	1.1
Anschutz, Philip Frederick/Oil, railroads	1.0
Hill, Margaret Hunt & family/Inheritance (oil)	1.0
Cooke, Jack Kent/Real estate, investments	1.0
Dorrance, John T. III/Inheritance (Campbell Soup)	1.0
Dorrance, Bennett/Inheritance (Campbell Soup)	1.0
Malone, Mary Alice Dorrance/Inheritance (Campbell Soup)	1.0
Carlson, Curtis LeRoy/Entrepreneur	1.0

U.S. family fortunes estimated at over $1 billion

Name/Source of wealth	Net worth ($billions)
du Pont/Inheritance (Du Pont Co.)	$8.6
Rockefeller/Inheritance (oil)	5.0
Cargill & MacMillan/Cargill, Inc.	5.0
Hearst/Inheritance (publishing)	4.4
Mellon/Inheritance (finance)	4.3
Phipps/Inheritance (steel)	2.5
Haas/Levi Strauss	2.1
Lauder/Cosmetics	1.8
Scripps (E.W.)/Inheritance (newspapers)	1.8
Wattis/Inheritance (Utah International)	1.8
Ford/Inheritance (Ford Motor Co.)	1.7
Hall/Hallmark Cards	1.7
Bancroft/Inheritance (Dow Jones)	1.6
Hillenbrand/Caskets	1.6
Fisher/The Gap	1.6
Milliken/Textiles	1.5

Name/Source of wealth	Net worth ($billions)
Gund/Inheritance	$1.5
Blaustein/Inheritance (oil)	1.5
Chandler/Times Mirror Co.	1.4
McCaw/McCaw Cellular	1.4
Busch/Inheritance (Anheuser-Busch Cos.)	1.3
Smith/Illinois Tool Works	1.3
Hoiles/Newspapers	1.2
Disney/Inheritance (Walt Disney Co.)	1.2
Field/Inheritance, media	1.2
Kleberg/Inheritance (King Ranch)	1.0
Reed/Inheritance (timber)	1.0
Allen/Stock market, real estate	1.0
Collier/Real estate	1.0
Nordstrom/Retailing	1.0
Brown/Liquor	1.0
Dayton/Dayton Hudson	1.0
Lilly/Pharmaceuticals	1.0

Japan
real estate

By Gale Eisenstodt, Neil Weinberg and Kazumi Miyazawa

How does it feel to be maybe the richest businessman in the world and have it all tied up in Tokyo real estate? Not so bad.

Minamikawa/Sipa

Taikichiro Mori (right) touring his Shiroyama Hills project, 1990

Gentlemen prefer firmer rents.

Taikichiro Mori and family

Net worth: $13 billion

Mori, one of FORBES' most helpful sources on Japanese billionaires, has often said he wanted land prices to fall. This year the 88-year-old former economics professor—who is certainly getting his wish—welcomed us again. The current "necessary" downward adjustment will quicken, he predicted. Where's the bottom? Even Mori is not certain.

"At current prices, if you buy land, put up a building and receive rent, the yield is only 2% to 3%," Mori explains. "If you consider bank rates [the long-term prime is 6.1%], you can't make a profit. It will be good if [the yield] gets to around 4%."

Mori repeats his feeling that falling property prices will ultimately make the Japanese economy healthier. Land, explains the professor, becomes an obstacle to economic growth and political stability when it consumes 50% to 70% of a country's capital spending (as in Japan), and when workers cannot afford their own homes.

"When only the rich can buy a house," Mori worried, "average people have a sense of unfairness."

So far, the Mori family's own office buildings in Tokyo's primest-of-prime Minato Ward, near Parliament, seem little affected by falling prices. FORBES estimated the family was worth nearly $15 billion last year; we put them at around $13 billion this. (We have not included a bank of vacant land that is hard to value.)

We checked on concerns that Mori was in trouble. He looks solid. "Mori Building is an example of good sense in Japanese real estate," reports an outside real estate executive familiar with Mori operations. "They didn't get caught buying land at the top of the market. The question is how they will handle the first supply surplus since the late 1970s."

For now, interest rates on Mori's $4.3 billion known debt are falling and his rents are holding firm. But his big Shiroyama Hills office and apartment complex, opened last December, is filling more slowly than had been expected.

Mori acknowledges that the real estate contraction may eventually squeeze even him. "In the U.S. excess supply has caused lots of problems," he says. "Until now people thought Japan was different . . . but there are worries that America's experience will become Japan's tomorrow. Now when someone applies to be a tenant, if the rent is too high the negotiations are—well, not gentleman-like."

—N.W.

Yoshiaki Tsutsumi

Net worth: over $10 billion

And what of Tsutsumi, who is either the second-richest businessman in the world, or the richest by far? His Seibu Railway stock is way down. His real estate, good but not so good as Mori's, is off a bit. Tsutsumi, 58, officially owns 40% of family company Kokudo, formerly Kokudo Keikaku; that stake looks to be worth $10 billion or so, this year.

But wait. As in prior years, source after knowledgeable source tells FORBES that the "owners" of the other 60% of Kokudo are fronts, and that Yoshiaki Tsutsumi in fact owns the whole thing. If so, Tsutsumi is worth over $25 billion.

Whatever the truth of this matter, Tsutsumi runs his businesses conservatively. Debt is low, and Tsutsumi

Yoshiaki Tsutsumi

Worth $10 billion? Or $25 billion?

has impeccable political contacts. This may help explain why the site of the 1998 Winter Olympics is near his considerable land holdings in Nagano Prefecture, where some land values are still rising even in the real estate slump. —N.W.

Kitaro Watanabe

Net worth: maybe $2 billion

At his peak, Watanabe, now 58, may have been the third-richest man in the world. Starting with some car dealerships and no fear of debt, Watanabe leveraged his Azabu Group into ownership of 1 million square feet of land in and near Tokyo. The land holdings may have been worth over $9 billion, net, on paper in 1990. As long as bankers kept on pushing out loans, Watanabe could blow $240 million on Hawaii's Hyatt Regency Waikiki alone, and afterwards buy the Ala Moana Hyatt Regency and the Maui Marriott.

But Watanabe overextended himself. Last year Azabu's lead lender, Mitsui Trust, stepped in. Currently "adviser" Toshimi Shibata, a Mitsui Trust man, manages Azabu in order to pay down $6 billion in debt. Interest runs $472.4 million per year, nearly the equivalent of Azabu's total revenues.

Watanabe? He is chairman, but seems to have little decision-making power. These days he's known as one of the so-called AIDS cases—the Japanese media's acronym for Azabu, Itoman, Dai-Ichi Real Estate and Shuwa. (Shuwa's Shigeru Kobayashi dropped off this list in 1991.) Together, these developers constitute the biggest riches-to-rags stories in Japanese real estate.

Watanabe isn't broke—yet. Even now Azabu Group's properties are probably worth a couple of billion more than it owes. But if old Professor Mori is right, then one day Watanabe will be left with little more than exciting memories.

Tada family

Net worth: $1.8 billion

Most other developers may be hurting these days, but it is a great time for the Tada family.

Katsumi Tada, 47, is the founder and president of Daito Trust Construction. Last year Daito Trust's profits rose 35%. This year another strong rise is in prospect.

Tada is a major beneficiary of a reform this year, under which most "farmland" in cities will lose its preferred status and be taxed at residential rates. The upshot of this reform is that some 70% of existing urban farmland, at least 110,700 acres, will likely have to be developed.

Daito's main business: developing urban farmland. The $1.63 billion (revenues) company offers convenient one-stop service, combining construction, rental property management and tax planning. Tada often persuades farmers to let Daito Trust Construction develop their land by guaranteeing a minimum level of rental income to them.

Not that Tada's Daito has the field to itself. Japan's giant home builders are already moving in. Analysts worry that, with competition, Tada will find it tougher to cover his rental income guarantees. But for now the Tada family's Daito stock is worth $1.8 billion. —G.E.

Takei family

Net worth: $1.7 billion

Takei was nailed this year for evading $27 million in taxes owed on some $40 million allegedly made via insider trading. Punishment: four years in prison and a $3.9 million fine. It's the largest tax fraud to date by an individual in Japan.

Takei, 71, owns Chisan Group—hotels, golf courses and much else. Rather than appeal his conviction, he says he hopes to atone for his sins. "After creating such a sensation, I do not think it would be proper for me to say the punishment was too severe," Takei recently told a Japanese weekly. He added that he would like to become a Buddhist priest.

Hirotomo Takei

Jail ahead.

"All the criticism in the press taught me many things about myself I could not see before." —G.E.

Yoshimoto family

Net worth: at least $2.3 billion

Headed by Goroemon Yoshimoto, 70, and his second cousin Haruhiko, 68, the Yoshimotos have owned important properties in front of Osaka's train station for generations. Japan's second city, Osaka has been especially hurt by the collapse of the land bubble—officially, real estate values are down 21%, but that no doubt understates the fall. But the Yoshimotos' properties are prime. They're probably down in value by only 15% or so on average.

Otani family

Net worth: over $3.3 billion

New Otani group, headed by current patriarch Yoneichi Otani, 76, is also more solid than most. The group recently finished the New Garden Court office building. Situated next to their flagship New Otani hotel in Tokyo, New Garden Court is unusually stylish; fully rented, it is also an unqualified success.

The Otanis feel some pain from a slow-selling resort joint venture north of Tokyo. But low-debt, quality properties and a good name will see them through the current slump.

–N.W.

Rinji Shino

Net worth: $3 billion

Rinji Shino, 83, owns Meiko Group. Its major assets are a golf course in Osaka and real estate, mainly in western Japan.

In 1958, fearing arrest for violating the Agricultural Land Act, he fled to Paris with $14,000 stuffed in a money belt. The violation was eventually settled for $300.

A dedicated Francophile, Shino owns a French winery (Château Shino) and large land holdings near Paris. His daughter Shigeko, 50, runs the group's main companies.

Tamesaburo Furukawa

Net worth: over $1 billion

Furukawa is still with us. Now 102, he is the world's oldest known billionaire. Through his Herald Corp., he has for 70 years exhibited films in his chain of theaters, based in Nagoya, and reinvested the earnings in large tracts of rural land in central Japan. His grandsons run things, but Furukawa is still chairman.

Hayashibara family

Net worth: $2.2 billion

Fifty-year-old Ken Hayashibara heads Hayashibara Group, the family's over 100-year-old food and pharmaceutical company. Based in Okayama, southwest of Osaka, the $550 million (sales) company is active in biotechnology research and holds about 4,000 patents.

A conservative manager who doesn't like to put too much of his family's money on the line, Hayashibara likes to share risks by putting together partnerships with big companies for final development and distribution of new food and drug products. His younger brother Yasushi, 45, runs day-to-day affairs.

Isono family

Net worth: 1.9 billion or more

The Isono family owns 106-year-old Meidi-ya, the second-largest food and liquor wholesaler in Japan. Meidi-ya is a large shareholder in Kirin Brewery and a local Coca-Cola bottler.

Another company, Isono Real Estate, looks after the family's extensive property holdings, mostly in the wealthier sections of Tokyo. President Keiichi Isono, 48, is great-grandson of founder Hakaru Isono (1858-97).

Yohachiro Iwasaki and family

Net worth: over $3 billion

Iwasaki, 90, founded Iwasaki Group in 1923. Its activities include gas stations, lumber processing, taxi and bus companies, resort development and food processing and distribution. The company is headquartered on Japan's southernmost island, Kyushu, where Iwasaki owns much land. The company is run by Iwasaki's son Fukuzo, 67, and his grandson Yoshitaro, 38. They are currently expanding huge "Capricorn Iwasaki" resort, near Australia's Great Barrier Reef.

Eitaro Itoyama

Net worth: $3.2 billion

Eitaro Itoyama, who inherited large real estate holdings from his father, was a member of the Diet's lower house until he lost his bid for reelection in 1990. Now 50, he has been spending his time looking after his Tokyo-based Shin Nihon Kanko Kogyo. Its assets include golf courses, resorts and substantial holdings of undeveloped land.

Japan industry

Kiyoshi Sagawa

Net worth: over $1 billion

Starting with a bicycle, Sagawa, now 70, built Kyoto-based Sagawa Express into Japan's second-largest parcel delivery service. He curried favor with politicians and gangsters; Sagawa Express is now at the center of a huge scandal involving the former president of the Tokyo operations. Sagawa resigned as chairman in May. Son Eiichi Kuriwada is in charge.

Junichi Murata

Net worth: $3 billion

Kyoto-based Murata Machinery makes textile machinery, robots and machine tools but is best-known for low-cost facsimile machines. The Japanese market for fax machines is a battleground. The U.S. isn't easy either—Fujitsu has announced it's withdrawing from the low end of the market in the U.S.—and Murata's profits have slumped for over a year. Murata, 56, isn't retreating. He just built an R&D center to apply computer technologies to his businesses.

Yasuo Takei and family

Net worth: $2.5 billion

Ryoichi Jinnai and family

Net worth: $1 billion

Kinoshita family

Net worth: $1 billion

These three billionaire families are moneylenders who make unsecured personal loans at legal rates of up to 40% per annum. They used to be called *sarakin*. Takei, 62, founded Takefuji. Jinnai, 66, built Promise.

Two consumer electronics giants, humbled

Peter Freed/Sygma

Sony founder Akio Morita

Paying the price of entering Hollywood.

Kyodo

Matsushita family head Masaharu Matsushita

An Osaka woman got $400 million of the company's money.

Morita family

Net worth: about $1 billion

As the line between computers and consumer electronics products blurs and as software becomes more important than ever, Akio Morita is struggling to turn Sony Corp. into an electronics and entertainment company. In the last four years Sony has spent nearly $7 billion to buy Columbia Pictures Entertainment, CBS Records and other entertainment properties. But reshaping a big company like Sony is difficult; electronics goods sales are basically flat. Last year the parent company posted an operating loss of $162 million, its first ever as a public company. These are some of the hardest times since Morita, now 71, and a partner, Masaru Ibuka, founded Sony in 1946. The stock market has punished Sony: Its NYSE-traded ADRs have dropped from about 56 in 1990 to a recent 32.

Matsushita family

Net worth: $1 billion

The heirs of Konosuke Matsushita (1894-1989) share most of the problems facing archrival Sony's Morita. They also have their own problem: A finance subsidiary of flagship Matsushita Electric Industrial (MEI), bluest of blue chips, made a $409 million loan to Nui Onoue, the now infamous—and bankrupt—Osaka restaurateur and stock speculator supreme who took top financial institutions to the cleaners for roughly $2 billion. Matsushita family head and MEI Chairman Masaharu Matsushita, 79, took a ritual pay cut. Two vice presidents were demoted. MEI's earnings fell by half. Matsushita's entertainment arm—MCA, for which it paid over $6.1 billion in 1990—is doing poorly at the box office.

The Kinoshita clan's company is Acom. They and other consumer lenders have done quite a job. Since 1986 Japanese consumer debt has more than doubled, to $497 billion last year. Credit cards issued nearly doubled, to 187 million.

With the Japanese economy in a bad slump, how are the moneylenders faring? Not too badly, so far. Unemployment is a mere 2% in Japan, so consumers still have paychecks coming in. At all three firms, loan chargeoffs are up only slightly.

But all three are bracing for trouble. In 1991 there were 23,288 personal bankruptcies in Japan, more than double 1990's figure. Analysts predict 40,000 this year. That may be just the tip of a bad debt iceberg. Kenji Utsunomiya, a bankruptcy lawyer in Tokyo, figures at least 1 million individuals are having problems making interest payments; half, he adds, are as good as bankrupt.

Who are these unthrifty borrowers? Many are Japanese in their 20s who borrowed to buy expensive clothes and jewelry and to travel abroad. "People spent too much with no understanding of how to manage debt," sighs Yoshiki Okada, a managing director at Acom. Many debtors counted on working overtime to pay off credit cards and loans. But overtime has been drastically cut as the economy has slowed.

The consumer debt cloud may well rest over Japan for some time to come. Japanese card issuers don't release data on users, so the consumer finance companies have no way to know if a potential customer is already deep in debt.

Japan's banks, card issuers and consumer finance *sarakin* are still only talking about swapping this information. "The problem is nobody wants to give information to competitors," says Okada. Better to make a bad loan, the feeling seems to be, than tell a competitor anything.
–G.E.

Murayama family

Net worth: well over $1 billion

The Murayamas have a big stake in Japan's huge *Asahi Shimbun* newspaper (circulation, 8.2 million). The recession is crimping advertising budgets and the Asahi's management has yet to figure out how to crack the U.S. market. (*Japan Access,* Asahi's weekly English-language newsletter in New York, has met a lukewarm response.) But the paper has deep pockets. *Asahi Shimbun* is financing a new headquarters building and concert hall, due for completion in August, without taking on a yen of debt. –N.W.

Tetsuo Ohga

Net worth: $2 billion

Ohga, 67, runs the Shogakukan Group, including its two main publishing companies: Shogakukan and Shueisha. Both are big in comic books, very popular in Japan with adults and children. (*Shonen Jump,* the most popular, sells 5.7 million copies a week.) The business isn't immune to recession, but sales are holding up reasonably well. Industry sources say Shueisha editors are especially quick to sense changes in what's popular. In the 1980s their books were filled with tales of romance. But with recession on salarymen's minds, tales that revolve around life at the office are big hits. –G.E.

Hattori family

Net worth: $1.4 billion

Their Seiko group is still a close second to archrival Citizen in watch production, but Seiko is far behind in selling movements to other Asian watch producers. The Hattoris' manufacturing arm, Seiko Epson, known for printers and other computer equipment as well as timepieces, is expected to post a second year of declining sales and possible losses. Seiko is a household name, but to stay one, it will have to figure out how to get back on track. –N.W.

Teramachi family

Net worth: $1 billion

Hiroshi Teramachi, 68, is founder of $617 million (sales) THK, a maker of precision bearings. In the U.S., THK owns THK America. THK's earnings plunged 50% in the fiscal year ended March. A big reason: a $75 million paper loss on holdings in other publicly traded Japanese companies. The Teramachi family's THK stock has slid a split-adjusted 60% during the last year, wiping over $1 billion off their net worth.

Hisakichi Yamaguchi

Net worth: $2.5 billion

Born in Korea before it was divided, Yamaguchi, 81, founded Daiwa Can Co. in 1950. An affiliate of Nippon Steel, it has 30% of Japan's can market. Daiwa Can has no debt and seems to be coming through the recession in fine shape. A potential growth market: Japanese beer breweries. About a third of Japanese beer is sold in cans, versus 60% in the U.S.

Hiroshi Yamauchi

Net worth: $1.3 billion

As president of Nintendo, the Yamauchi family's videogame company, Hiroshi faces tough competition from Sega (FORBES, *Sept. 2, 1991*). The falling stock market has pummeled Nintendo stock.

Last month major league baseball owners retreated from their chauvinistic position and approved the sale of the Seattle Mariners to a Yamauchi-led group for $100 million. To finance the purchase, in February Yamauchi sold $47 million of his Nintendo stock (about 600,000 shares). To raise that much at Nintendo's peak, in August 1990, Yamauchi would have had to sell 236,000 shares (adjusted for a split).

Yoshida family

Net worth: at least $1 billion

Tadao Yoshida, founder of zipper company YKK, is 83 and ill. Son Tadahiro, 45, is taking charge. In Japan, YKK has a big aluminum building materials operation, which has been hit by falling housing starts and weak commercial construction. But YKK officials think the worst is over. Lower interest rates are sparking a slow recovery in building; YKK's building materials company is forecasting 5% growth in sales this year. The U.S., too, looks better. This year YKK will start full operations on a building materials plant in Georgia, where it has produced zippers for many years.

Takenaka family

Net worth: over $3.4 billion

The Takenaka family controls centuries-old Takenaka Komuten, one of Japan's largest construction companies. The government is talking about a host of public works projects to spur a recovery. That would certainly bolster Takenaka Komuten's earnings. But prospects for private works—office buildings, factories and warehouses—remain bleak.

The Takenakas have another, longer-term problem: Young Japanese do not want to work in construction. The average age in construction is now 47, extremely high for an industry that demands lots of physical labor.

Masatoshi Ito

Net worth: $2.5 billion

Hardship has a way of favoring the strong, and Ito's Ito Yokado Group is among the strongest of Japan's retailers. Net profits jumped 6.2% in the year through February, a poor year for most retailers.

How does Ito, now 68, who started with nothing, do it? With disciplined central control, responsiveness to customers, and precise product management. For example, clerks at Ito Yokado's 4,600 7-Eleven Japan stores register the time of purchase, gender and rough age of each customer on point-of-sale systems, to fine-tune each store's offerings. (Ito Yokado also has supermarkets and general merchandise superstores.)

Long 7-Eleven's licensee in Japan,

Fujifoto

Masatoshi Ito
Now here's how to run a 7-Eleven. . . .

Ito bought 70% of bankrupt Southland Corp. last year. Now Ito is exporting his marketing techniques to the 7-Eleven Hawaii chain and U.S. mainland stores. –N.W.

Otsuka family

Net worth: $2.5 billion

Akihiko, 54, is the hard-driving president of $2.5 billion (sales) Otsuka Pharmaceutical, founded in 1964 by his father, Masahito. Japan's Ministry of Health & Welfare severely reprimanded the company last October for submitting false postmarketing survey data on a newly developed heart stimulant, Arkin-Z.

This was a severe setback: The drug was supposed to boost Otsuka's reputation and carve out niches in the U.S. and Europe.

Fortunately for the family's net worth statement, the company's substantial business in consumer beverages, some laced with vitamin C and other vitamins, is holding up well. A 10% price hike, the first in almost a decade, will sweeten profit margins. –N.W.

Kunio Butsujima

Net worth: $1.5 billion

Kenkichi Nakajima

Net worth: $2.4 billion

Kunio Butsujima, 67, made his fortune by following in fellow billionaire (and business rival) Kenkichi Nakajima's footsteps. Lately, however, the follower has become the leader. The story:

Nakajima, 71, founded Heiwa, long the preeminent maker of pachinko machines. In 1966 Butsujima, once a director at Heiwa, founded Sankyo Co. Butsujima's company is Heiwa's fiercest rival.

Last year Butsujima brought out new pachinko machines with imaginative electronic gimmicks and sound. The machines were a big hit and Sankyo's sales topped Heiwa's for the first time. This year Sankyo's sales were $629 million, versus Heiwa's $537 million. By one estimate Butsujima's Sankyo now has 22% of the pachinko machine market, versus Heiwa's 21%.

The prospects for both companies remain good. The bursting of Japan's economic bubble did not hurt Japan's $110 billion revenues pachinko industry, which now accounts for 20% of all Japanese expenditures on leisure. "When the economy is down, people have more free time to spend playing pachinko," says Richard Ko, analyst at Barclays de Zoete Wedd in Tokyo.

Yet Nakajima's stock has fallen 50%, slashing some $2.7 billion off his net worth. Challenger Butsujima, new to our list this year, has seen Sankyo's share price fall 50% since his company listed on Japan's o-t-c market last October.

–G.E. and LISA TWARONITE

Keizo Saji and family

Net worth: $1.4 billion

Saji, Suntory Ltd.'s 72-year-old chairman, has a problem. The Japanese aren't drinking the way they used to. Wine sales were off 15% in 1991. Distilled liquor, more than half Suntory's volume (and it has 70% of the whiskey market), grew just 1%. Beer margins, meanwhile, have been eroded by ephemeral "new beers" from desperate competitors.

Net result: Pretax earnings at the Saji family's proud old spirits company have fallen the last two years running.

To reduce its dependence on alcohol, Suntory is launching a pharmaceutical business, specializing in cardiovascular and anticancer drugs. By the year 2000 Saji hopes to see it earn about twice as much as the $82 million a year (pretax) that Suntory now makes mostly on booze. Saji is also into bottled water in the U.S. (Brands include Polar and Crystal Springs.) In Tokyo he's trying out a franchised version of health-food-oriented U.S. sandwich chain Subway.

Uehara family

Net worth: $1.2 billion

The Ueharas' Taisho Pharmaceutical is a major player in Japanese "health drinks." Japanese salarymen are addicted to these beverages, which are reputed to cure hangovers and to energize exhausted workers. Most contain some vitamins and a slug of caffeine. Taisho's pioneer concoction, Lipovitan D, has been a hit since 1962. The health drink market increased a steady 7% to 8% a year through 1989—then jumped 15% in 1990. Last year it was up again.

Are the Sajis of Suntory listening? –K.M.

Other Asia

Hong Kong

By Gregory Viscusi

Suddenly, hope and greed shove aside fear as Hong Kong contemplates takeover by China in 1997. The stock market is up 40%. Land is up 50%. The market seems to be saying that Hong Kong will take over China—and maybe it will.

In 1997 Hong Kong will become China's third-biggest city (it has 5.8 million people, Beijing 6.8 million, Shanghai 7.3 million). More important, Hong Kong will be China's undisputed fountainhead of capitalism. It is already the main business hub for the rest of Southeast Asia. If China rejoins the world economy, Hong Kong's billionaires are beautifully positioned for years of rapid growth.

Gordon Wu and family

Net worth: $1.1 billion

One of the biggest beneficiaries in Hong Kong of the economic boom in southern China.

Cheng Yu-tung

Net worth: $1.8 billion

Now 66, Cheng was an early investor in Guangdong, and his aptly named New World Development Co. Ltd. construction company has been one of the hottest stocks in Hong Kong, up 64% this year. New World is building a road system and apartment blocks in Guangzhou and a power plant in Zhujiang and is managing seven mainland hotels. Risk? Son Henry Cheng, 45, told FORBES that given China's ultralow costs, risks are higher in expensive Hong Kong.

Cheng has paid down much of the debt from buying U.S.-based Ramada hotels in 1989. Cheng reportedly bought 187 acres of residential land in Ontario in 1987, after a 15-minute visit on his way to the airport.

Lee Shau-kee

Net worth: $2.4 billion

After building relatively cheap housing for Hong Kong's middle class, Lee is moving into Guangdong. Shares in his Henderson Land and Henderson Investment are up over 50%. Lee, 64, is still developing cheap Hong Kong land he bought in the 1950s, and has picked up land in Guangdong to repeat his formula.

Li Ka-shing

Net worth: $3.2 billion

The colony's most famous billionaire, Li, 64, controls many companies. The most important: Hutchison Whampoa, with telecommunications, ports and energy interests, and property developer and holding company Cheung Kong. Other assets include the largest mobile telecom operator in Britain, Hutchison Telecommunications; a piece of a Reichmann building in New York; all of Canada's Husky Oil. His Star TV, run by son Richard, 25, has started beaming five channels by satellite; Star's footprint stretches from Turkey to Japan.

In May, Li took a stake in troubled Japanese real estate giant EIE Development's Hong Kong operation. His port division handles about half of Hong Kong's container traffic, which is how much of China's $62 billion in annual exports reach the world.

Y.K. Pao family

Peter Woo, Wharf Holdings

Buying in Hong Kong, too.

Net worth: well over $2.2 billion

Y.K. Pao died last September; his four sons-in-law now run the empire. One, Peter Woo, 46, has been buying hotels in Texas and New York; he's

looking in California. Back home he oversees World International (Holdings) and Wharf (Holdings). Wharf is bidding for Hong Kong's first cable TV network, its fourth cellular phone system and more land to develop. Woo also wants to upgrade Wharf's port terminals.

The other sons-in-law: Austrian-born Helmut Sohmen, 52, runs the Paos' World-Wide Shipping Agency, with 73 vessels. Shinichiro Watari, 45, runs a Tokyo-based trading company. Edgar Cheng, 48, handles the family investment portfolio.

Kadoorie family

Net worth: $3 billion
The Kadoories, who arrived in Hong Kong more than 100 years ago from Iraq, own 64% of the Peninsula Hotel group. But their most exciting asset is a 33% stake in China Light & Power. Recently the Hong Kong government removed some restrictions on selling spare power to Guangdong Province (pop. 64 million). Under 51-year-old Michael Kadoorie (his father, Lord Lawrence, is 93 and ailing), China Light has doubled its transmission capacity to the border. Now it is investing in a nuclear power plant and a hydroelectric project in China. Meanwhile, electricity demand in Hong Kong is growing 7% a year. Says Hazel Moore, analyst at W.I. Carr: "The stock is fantastic, one of the best on the [Hong Kong] market."

Kwok family

Net worth: $4 billion
The three Kwok brothers own 49% of Sun Hung Kai Properties, which sits on one of the largest undeveloped land banks in the colony's New Territories. They continue to put up apartment buildings at a steady clip. Chairman Walter Kwok, 41, Vice Chairman Thomas, 40, and Raymond, 39, haven't yet ventured into China. But the market loves their stock—since December it has appreciated 46%.

Swire brothers

Net worth: $2 billion
The Swires—Sir Adrian, 60, and Sir John, 65, both U.K. residents—control Swire Pacific. It owns primarily commercial real estate but isn't starting much new building as the Swires wait for a land-price correction. Swire Pacific's stock is up 50% this year, probably on speculation that their airline, Cathay Pacific, will coin money as the capitalist revolution in Guangdong sweeps north to Shanghai and Beijing.

Li Ka-shing, billionaire conglomerator
Yes, diversification worldwide, but billions invested at home.

Macau

By Gregory Viscusi

Stanley Ho

Net worth: at least $1.1 billion
Probably nowhere does one businessman so dominate his home turf as Ho does in Portuguese Macau. Ho, 70, controls Sociedade de Turismo e Diversoes de Macau (STDM); it runs Macau's casinos—which provide half the colony's government revenues—and much of its tourism infrastructure. He also owns hotels and other properties and Shun Tak Shipping, which runs the ferry to Hong Kong.

In 1999 Macau will revert to China. Like Hong Kong, it could become a gateway to booming south China. A deepwater port is partially open; an airport is planned for 1994. An industrial park, residential developments, maybe an airline, are at the thinking stage. Ho is deeply involved.

Born in Hong Kong to a Portuguese mother and a Chinese father who went bankrupt when Stanley was a boy, Ho fled to Macau during World War II and traded between the Japanese army and the colony. In 1962, with several partners and allies, some shady, he won Macau's gambling license. Profits from the Chinese love of gambling have flowed in ever since. Ho is a sociable, suave cosmopolite. Tragically, his eldest son died in a car crash. His other son is still in school, and Ho has reportedly fallen out with close associates. Who will succeed him is a question whose answer is shrouded in mystery.

Stanley Ho
Come. Gamble. Have fun. Bring money.

Taiwan

By Linda Killian

Taiwan is awash in liquid assets. As of March, its foreign exchange reserves came to $82.5 billion; just over $4,000 per citizen, that's by far the world's highest reserves per capita. Taiwan's billionaires are recycling the reserves into overseas investments and, in several cases, adding value by starting new banks.

Chang Yung-fa

Net worth: over $1.3 billion

Chang, 65, built the world's largest container shipping line (Evergreen) and is now building an airline: EVA Airways began flying last year to Asian destinations and Vienna. On order are nearly $4 billion of U.S. aircraft. He hopes to add New York and Los Angeles by year-end (and finish a new Los Angeles hotel by 1995). Next stop: China, where Taiwanese investment is rising fast.

Koo family

Net worth: over $1.5 billion

The Koos' China Trust group has a joint venture with the Taiwanese government's China Airlines. Their new Mandarin Airlines is already serving Sydney, and will probably add Canadian cities this year.

Headed by Jeffrey Koo, 59, the family is also well placed for the new opportunities opened up by Taipei's decision to liberalize banking laws. China Trust won one of 16 new banking licenses. The Koos already have a New York bank and want to build a global financial services network. Another major holding: Taiwan Cement, the island's largest producer.

Hsu family

Net worth: $2.5 billion

With their new banking license, the Hsus have opened Far Eastern International Bank, chaired by the family's semiretired patriarch, Y.Z. Hsu, 80. Among his creations: Far Eastern Textile, one of the world's largest makers of polyester fiber; Asia Cement; Far Eastern Dept. Stores, Taiwan's largest chain. Y.Z. Hsu's Columbia-educated son Douglas Hsu, 50, is now chairman of the family's Far Eastern Group.

Founder Y.Z. Hsu

Fled China, started Far Eastern.

Son Douglas Hsu

Their Asia Cement sees big growth.

Tsai family

Net worth: well over $2.5 billion

Tsai Wan-lin

Not Taiwan's favorite banker.

Probably Taiwan's richest family, the Tsais were involved in a banking scandal in 1985. Not entirely surprising, then, that they were recently denied a banking license. But their Cathay Life Insurance dominates Taiwan's insurance industry. They also control Cathay Construction and much real estate. Questioned last year about alleged bribes to a legislator, family patriarch Tsai Wan-lin, 67, candidly replied: "It's hard to be a good man."

Yue-Che (Y.C.) Wang

Net worth: over $1.5 billion

After threatening to build a gigantic petrochemical complex on the mainland, Wang's Formosa Plastics finally got the approval it wanted to build a $4 billion petrochemical complex in Taiwan. In the U.S. Wang is spending $1.3 billion to expand his Point Comfort, Tex. PVC plant. He also controls $2.5 billion (sales) Nan Ya Plastics, which makes liquid crystal display products and printed circuit boards.

Wang is 75 and has son Winston in the business. Retirement rumors remain unconfirmed.

Chip off the old block

Y.C. Wang's daughter, Charlene Wang Chien, 43, graduated from Berkeley. Returning home to Taipei, she started International Computer in 1979 with $25,000 in savings. Last fall it went public. She and her husband own 70% of the company, worth $100 million. She says Pop taught her two main lessons—work hard, don't squander money.

Wu family

Net worth: over $1 billion

New billionaires, the Wus have built one of the most diversified groups in Taiwan. Patriarch Ho-Su Wu died in 1986. Wu sold cloth during the Japanese occupation, and after the war used U.S. government assistance to start a textile company, Shin Kong Spinning. As Taiwan evolved from labor-intensive businesses toward capital- and expertise-intensive industries, Wu kept pace. The Wus' Shin Kong Life Insurance is Taiwan's

Eugene Wu
Road to riches: Whither Taiwan, thither Shin Kong.

second-largest insurance company (sales, \$2.6 billion). The family has extensive holdings in energy (Great Taipei Gas Corp.), manufacturing, equipment leasing, construction, agriculture, computers, security systems, plastics and a department store chain. Like other Taiwan billionaires, they have a new bank: Tai-Shin International.

Ho-Su Wu had little formal education but made up for it by sending his four sons abroad to graduate school. Eldest Eugene Wu, 48, is chairman of Shin Kong Group, the family holding company.

Korea

By Jean Sherman Chatzky and William Heuslein

It is as if the South Korean government is again at war. Not with the North. With Korean big business. Since the Korean War, the government and the *chaebol*, the family-run conglomerates that dominate the economy, have had an uneasy partnership. Given access to credit and other privileges by President Park Chung Hee in the 1960s and 1970s, the *chaebol* were responsible for Korea's export-led growth.

After Park's assassination in 1979 and the eventual rise of General Chun Doo Hwan to the presidency, government control over the economy loosened. Workers went on often violent strikes. Labor costs more than doubled, inflation returned, exports got less competitive. The *chaebol* moved plants to Thailand and Malaysia. The stock market has halved since 1989.

The politicians blamed the *chaebol*, and President Roh Tae Woo told the *chaebol* they could borrow money at favorable rates only to finance their three main businesses. That left dozens of *chaebol* operating companies in a financing limbo. At Lucky-Goldstar, the third-largest *chaebol*, profits fell to \$133 million last year from \$210 million the year before. Lucky-Goldstar's founding Koo family no longer clearly belongs on this list.

Into this volatile picture comes Korea's most prominent billionaire, Chung Ju-yung, who has started a new political party and is running, Ross Perot-like, for president. His platform: Get the government off the back of private business, ease credit, elect me, an entrepreneur, to address Korea's economic problems.

Chung Ju-yung and family

Net worth: over \$2 billion

Chung Ju-yung, 76, is founder of Hyundai, Korea's second-biggest *chaebol*, strong in cars and heavy industry. Chung's new political party—the Unification National Party—won 10% of the National Assembly seats in March. Not unrelated, the government hit Hyundai with a \$190 million claim for tax violations. The central bank pressured commercial banks to call in Hyundai's loans. One son was arrested for tax evasion. But Chung announced the governing party hadn't reported all its income—at least not the millions in handouts it took from Hyundai. Make prosperity, not war, says Chung. Korean voters will have their say in the presidential elections at the end of the year.

Lee family

Net worth: over \$1.4 billion

Led by 50-year-old Lee Kun-hee, the third son of the late B.C. Lee, the family controls Samsung Group, Korea's largest *chaebol*. Considered the country's best-run *chaebol*, Samsung is strong in semiconductors and electronics. Profits grew from \$334 million in 1990 to \$349 million in 1991.

Shin Kyuk-ho (a.k.a. Takeo Shigemitsu)

Net worth: over \$6 billion

Korean-born Shin, now 69, first built his successful Lotte Group in Japan on chewing gum and chocolate, and much real estate. Starting in 1967, Shin created a second Lotte in Korea, where his focus is on food and beverages, hotels and department stores.

One Korean government policy has helped Lotte: The government put a 5% cap on deposit interest, meaning savers lose purchasing power with inflation at 9%. So they spend, and Lotte is big in consumer products.

Indonesia

By Jean Sherman Chatzky

Whither Indonesia? For one informed opinion, listen to Barton Biggs, canny picker of foreign stocks and chairman of Morgan Stanley Asset Management. "Indonesia," says Biggs, "is going to be the best [stock] market in the world over the next two years."

Indonesia has a population of 190 million. Labor is cheap (per capita income is around \$600) and the government has been tough on inflation (now 8%, the lowest in years). Biggs says Indonesia's real interest rates, currently around 15%, are on the way down. "We're looking for double-digit [earnings] growth," says Biggs. On the country's loosely regulated, infant stock market, multiples are in the low- to mid-teens. Among individual stocks, Biggs advises considering companies run by Indonesia's billionaires. He also likes P.T. Astra International (auto assembly and distribution), which is controlled by former billionaire William Soeryadjaya.

Liem Sioe Liong

Net worth: over $2 billion

At 76, Liem is President Suharto's main *cukong*, or Chinese financial partner. Through his over $2 billion (unconsolidated sales) Salim Group, he controls numerous monopolies and near-monopolies. Among Liem's strongest public companies are Indocement, the nation's largest cement producer, and Unggul Indah Corp., largest maker of alkylbenzene, used in detergent.

Eka Tjipta Widjaja

Net worth: $1.5 billion

Widjaja, 69, is Indonesia's paper baron. His master company, Sinar Mas Group, controls publicly owned Indah Kiat Pulp & Paper and Tjiwi Kimia; together they hold 70% of Indonesia's paper market. Widjaja and Liem *(above)* have done joint ventures in papermaking, and are said to be friends. Their sons, however, dislike each other, and some of the joint ventures are being unwound. Too bad. Indonesia's per capita consumption of paper today is where America's was in 1890. A growth business if ever there was one.

Malaysia and Singapore

By Gregory Viscusi

Quek/Kwek family

Net worth: about $1.7 billion

Within the past three years the Malaysian branch of the family, the Queks, have become somewhat richer than their Singapore cousins, the Kweks. The booming Malaysian economy is advancing from raw materials to industry, and the Queks, led by Quek Leng Chan, 51, control numerous companies that assemble semiconductors and sell building materials, paper, steel, insurance and consumer durables.

The (slightly) less wealthy Singapore side of the clan is led by patriarch Kwek Hong Png, 81, and his eldest son, Kwek Leng Beng, 50. They control City Developments, a major property development concern. The freewheeling Kweks are not universally admired in orderly Singapore. "A little too enterprising," is one comment heard about them.

Robert Kuok

Net worth: $1.6 billion

Kuok, 69, retains only a few of his old Malaysian rubber and sugar plantations and spends most of his time these days in Hong Kong. But he still carries his Malaysian passport and is that country's richest man: stakes in Shangri-La International Hotels, CITIC Pacific (Beijing's quoted investment arm), and investments all over Southeast Asia.

Lee family

Net worth: $1.7 billion

This old-money Singapore family is centered on three genteel brothers: Lee Seng Wee, Lee Seng Tee and Lee Seng Gee. Together they control Oversea-Chinese Banking Corp., a big, old-line bank; and private Lee Rubber, whose rubber plantations are being developed as suburbs of greater Singapore.

Thailand

By Linda Killian

Kanjanapas family

Net worth: about $2 billion

This year the Kanjanapases' real estate company, Bangkok Land, went public, boosting them to billionaire status. The family owns shares in Bangkok Land and Tanayong, another quoted land development company. Bangkok Land is building a 1,600-acre satellite city outside Bangkok with industrial, office and low-cost residential space. The company is run by Anant Kanjanapas, 50, who heads Stelux, a Hong Kong watch company on which the fortune was founded.

Anant's father, Mongkol, in his 70s and chairman, started making watchbands for Seiko in Hong Kong in the 1960s; he used profits to buy cheap Thai land. Another son, Keeree, 40, runs Tanayong; it's developing new headquarters for the Thai stock exchange and owns a cable TV network. It recently won an $800 million mass transport contract; Tanayong will select stations and probably make the family's nearby land mushroom in value. Officials have questioned some of their financial deals. The companies decline to respond.

Sophonpanich family

Net worth: well over $1 billion

They own over 35% of Bangkok Bank, largest in Southeast Asia, and control related insurance, brokerage, finance companies. The group is run by heirs of famed Chin Sophonpanich (d. 1988). His second son, Chatri, 59, now the family's leader, has had heart problems and is reportedly grooming his son Tony as replacement.

Chearavanont family

Net worth: over $1 billion

Their Charoen Pokphand Group produces chicken, shrimp and animal feed for Southeast Asia and China (FORBES, *Apr. 13*). Sales: $3 billion. Other businesses include property, retailing, manufacturing. With Nynex, CP Group recently won a major Thai telecommunications contract. Family leader Dhanin Chearavanont, 53, controls the company.

Philippines

By Linda Killian

Zobel de Ayala family

Net worth: $1.2 billion

Old money. Ayala Corp. is a property developer and owns Bank of the Philippine Islands, the biggest stock on the Manila exchange. Ayala is run by Jaime, 58, pro-Aquino Harvard grad. Cousin Enrique, 65, split off 1983 to start an investment company, Enzo Group. Their aunt, Mercedes Zobel McMicking, 84, lives in Spain; she is said to have ultimate control.

India

By Gregory Viscusi

There are many wealthy and powerful families in India, but because of the Indian rupee's weakness against the U.S. dollar, only one of their fortunes translates into $1 billion. This mighty exception: the Birlas.

Aditya Birla, 48, used to complain that the Bombay exchange was overvalued. But then he was expected to pay a yearly 2.5% "wealth tax," which may have had something to do with his modesty.

Earlier this year, however, as part of Prime Minister P.V. Narasimha Rao's liberalization of the country's economy, the Indian government modified the tax so that it no longer applies to shareholdings. Other reforms include slashing licensing requirements and import restrictions, foreign exchange liberalization and easing of price controls. Signaling its approval, the Bombay stock exchange roared ahead 125% this year before dropping back 30% after a dirty financial scandal erupted.

Birla family

Net worth: $2.2 billion

No longer under the shadow of the wealth tax, Aditya Birla pronounces the above figure "about right." The Birlas were early supporters of Indian nationalism and closely associated with Mahatma Gandhi. Aditya Birla's side of the family is huge in cement, metals and chemicals, and is one of India's largest textile exporters.

Another branch, headed by Chandrakant Birla, manages Hindustan Motors, one of India's three major carmakers, and a third branch runs the important *Hindustan Times.* Prosperous under the British, prosperous under semisocialism, the Birlas can only get richer in the new free-enterprise India. As Aditya Birla puts it: "We will spend less time in Delhi and more time at our plants."

Australia

By Linda Killian

Kerry Packer

Net worth: $2.3 billion

Packer, 54, has been cashing in many of the assets in the publishing and broadcasting empire founded by his grandfather, developed by his late father and greatly expanded by Packer. Pessimistic about world economic conditions, Packer is using much of the proceeds to reduce debt. His Australian Consolidated Press Group has nearly 75% of the Australian magazine market (including five of the top ten magazines). This April he sold 55% to the public and pocketed $360 million. (He also owns the major Australian TV network, the Nine Network.) This spring he took public his U.S. company, Valassis Communications, raising nearly $375 million. Valassis produces the coupons inserted into Sunday newspapers. Asset sales have put the cash portion of his estimated $2.3 billion fortune up to around ten digits. Packer believes there will be a shortage of capital worldwide, which will depress the value of physical assets, and wants cash on hand to pick up bargains. Undoubtedly he will be looking in the U.S.' direction.

In 1990 the 6-foot-6 Packer suffered a near-fatal heart attack while playing polo. About five weeks later, Packer was back in the saddle but not spending as much time at the office. He hired American Al Dunlap, formerly of American Can and Crown Zellerbach, to run things and train Packer's only son, James, to take over for him.

Kerry Packer, who prefers polo fields to boardrooms

Of 291 billionaires, not many others have $1 billion in cash.

Europe

France

By Gregory Viscusi

Dassault family

Estimated net worth: $1.2 billion

Dassault S.A., the $3 billion (revenues) maker of Mirage fighter jets, must wonder about its future, with France's $37 billion defense budget facing almost certain cuts and at a time when Dassault hasn't had an export order for Mirage fighters in four years.

Despite the resignation of the interventionist minded Prime Minister Edith Cresson, rumors persist that the French government, which controls the company through supervoting shares, may merge Dassault into a larger defense group with Aerospatiale, the state owned dominant partner in the Airbus and Ariane consortiums.

Dassault is headed by Serge Dassault, son of the legendary aeronautic engineer Marcel Dassault who founded the company. Dassault's Mirage III became one of the most successful fighter jets in history, and was Israel's main weapon in winning the Six Day War in 1967. Dassault received a state funeral when he died in 1986.

In the face of world disarmament prospects, Serge is trying to make a mark in business jets. Dassault's Falcon 2000 will make its first flight next year. Earlier this year the company failed in a bid for Cessna, but it says it will keep looking for acquisitions. Meanwhile, Dassault has joined a consortium to build Hermes, a European space shuttle, now in the planning stage.

The Dassault family's 49% equity interest in the company is worth about $380 million. But the Dassaults also own approximately $900 million worth of stock in electronics, pharmaceutical and media companies and real estate.

Seydoux/Schlumberger family

Net worth: $3.7 billion

The world's leading tester and servicer of oil wells, Schlumberger Ltd. has been doing very well recently as oil companies have spent lavishly to find reserves safely away from the volatile Middle East. Growing out of a 1927 invention by two Alsatian brothers, Conrad and Marcel Schlumberger, Schlumberger Ltd. currently has $1.5 billion in cash. Although two family members are on the Schlumberger board, none is active in management. But family member Jerôme Seydoux, 57, is working to turn around Chargeurs S.A., a diversified company. His brother Nicolas, 53, runs Gaumont, a film production and exhibition company. (The two families are linked through the Seydoux's mother, who is a Schlumberger.)

Michel David-Weill and family

Net worth: well over $1 billion

David Weill, 60, has spent the last few years tightening the links between Lazard Frères (New York), Lazard Brothers (London) and Lazard Frères (Paris), all controlled by the David-Weill family. Lazard's international dealmaking is Lazard's strength. Branches have been opened in Frankfurt, Tokyo and Moscow.

David Weill has wealth beyond his ownership of Lazard. Through a complex structure of holding companies, he owns large shares in some of Europe's largest companies, including Pearson and BSN. An art collector of distinction, he sits on the boards of the Louvre and New York's Metropolitan Museum.

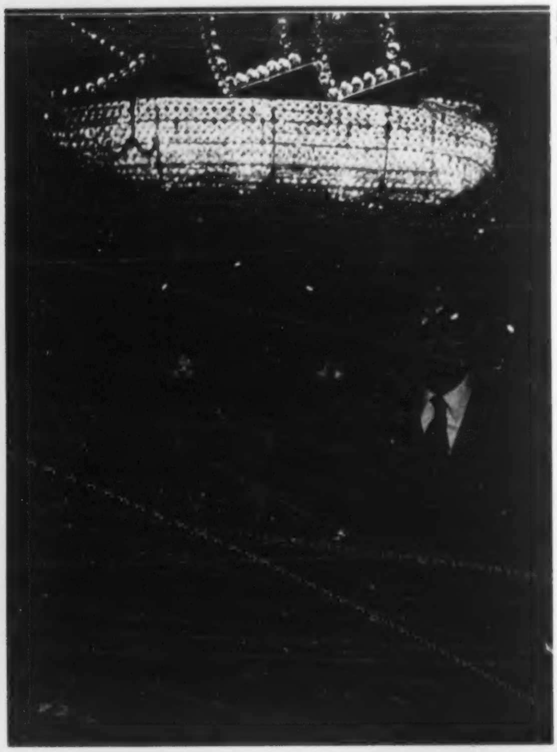
Peugeot family

Net worth: over $1.6 billion

Jacques Calvet, Peugeot's 60-year-old chairman, is known as "the Lee Iacocca of Europe" and talks of running for president of France in 1994. Meanwhile, Calvet rails against the recent agreements by the EC that will gradually open Europe to Japanese car imports. To compete by decade's end, Calvet says he must have around 10% annual productivity gains between now and then. The Peugeot family certainly hopes he can attain them; it still owns 23% of this auto company, which must compete in one of the world's toughest markets.

Serge Dassault and prototype Rafale

Is this the last hurrah?



Henry Racamier with model Ines
The store is a hit: Today Paris, tomorrow the world.

Vuitton family

Net worth: over $1.4 billion

After losing control of LVMH two years ago, Henry Racamier, who married into the Vuitton clan, has been using money he got for his LVMH shares to buy into other French luxury goods companies, from fashion to leather to perfume, for his new company, Orcofi. The first Orcofi shopping center, full of fancy boutiques, just opened in Taipei. Others are on the way. At home Racamier, 80, is busy repairing moneylosing Lanvin, owned 50-50 with L'Oréal. He has hit big with a new clothes-and-housewares store in Paris named Inès de la Fressange, named after France's famous top model.

Alain Wertheimer and family

Net worth: over $1.3 billion

The Wertheimers own Chanel, run by Alain Wertheimer, 43. Chanel is doing better than ever as perfume buyers return to classic scents. But last year's introduction of Egoïste, a men's fragrance, was not a huge success.

Liliane Bettencourt
Happiness is L'Oréal stock.

Liliane Bettencourt

Net worth: $3.5 billion

L'Oréal S.A., the $6 billion (1991 sales) cosmetics company founded by Bettencourt's father, is looking east. It has opened Lancôme boutiques in Moscow, St. Petersburg, Budapest, Kiev and Prague. A new L'Oréal perfume, Maroussia, carries the signature of a Russian designer.

Liliane Bettencourt, 69, owns 28% of the company, plus 3% of Nestlé S.A., which she received when Nestlé bought 27% of L'Oréal. Bettencourt will likely pass her holdings in both companies to her daughter Françoise Meyers.

Bouriez family

Net worth: $1.3 billion

The Bouriez' Cora hypermarkets are feeling competitive pressure from rivals Carrefour and Auchon in their stronghold, eastern France. Meanwhile, Cora is trying to sell its Revillon furs and perfume-making divisions. This June it sold off its Karl Lagerfeld perfumes division for $30 million. The furs are still on the block. The Bouriez family—three brothers, led by Philippe, and a sister—share this $7 billion (sales) operation.

Mulliez family

Net worth: $2.5 billion

The Mulliez family's 47 privately owned Auchon general merchandise stores grossed $9 billion last year. That made Auchon France's second-largest hypermarket chain, after publicly owned Carrefour.

Led by Gérard Mulliez, Auchon is now experimenting in new markets, opening stores in Turin, Italy; Spain; and Houston. The family's 80% stake (the rest is owned by Auchon's employees) is supplemented by several sizable retailing businesses owned on the side.

Italy

By Gregory Viscusi

Ferruzzi family

Net worth: over $1.1 billion

It's been rough sailing for Ferruzzi-in-law Raul Gardini. He headed the syndicate that spent a reported $100 million trying to win the America's

Cup for Italy; Forbes Four Hundred member Bill Koch beat him easily on $68 million. Last summer Gardini lost control of Ferruzzi Finanziaria (sales, $14.6 billion). His wife's siblings bought the couple out for $400 million. Gardini swore he'd never deal in Italy again. He couldn't put up with Italy's meddling bureaucrats. Picking up his chips, he moved to Paris and, through holding company SCI, is acquiring food companies.

Back home the relatives, led by Arturo Ferruzzi, 52, are consolidating the family companies and have bought stakes in several Eastern European food companies. In January they purchased Ducros, Europe's biggest spice manufacturer (sales, $300 million). They're also patching things up with the state-run companies and the government Gardini alienated.

Silvio Berlusconi

Net worth: $2.4 billion

Because Berlusconi's Fininvest owns TV stations, the Italian government forced him to sell his Milanese newspaper *Il Giornale* (he's selling it to his brother). He is fighting in court another government order putting a cap on advertising revenue of his publishing company and TV stations.

So Berlusconi, 55, is collecting shares in TV stations elsewhere in Europe. To his three in Italy he added part interests in Spain and Munich and tried unsuccessfully to take over the failed French channel La Cinq. His goal is to sell pan-European advertising packages to multinationals like Gillette. In the U.S. Berlusconi is coproducing a series pilot with CBS, and bought a piece of the rights to *Scarlett*, the *Gone with the Wind* sequel. His soccer team, AC Milan, coasted to the Italian soccer championship this year and is favored to win the European championships next season.

Silvio Berlusconi

Media baron for all Europe?

Ferrero family

Net worth: over $2 billion

Ferrero SpA is the third biggest confectioner in the world, behind Nestle and Mars (sales $3 billion). Strong brand names: Tic Tac is big in the U.S.; Nutella, Rocher and Mon Cheri are big in Europe. The group is headed by Michele Ferrero, 67.

Salvatore Ligresti

Net worth: $1.7 billion

Most is in two holding companies, fully owned Fingit and public Premafin (he owns 76%). He also controls Grassetto, a major Italian construction company.

Starting in construction and property development, "The Sicilian," 60, built an empire in real estate, hotels, ceramics, insurance and lately part of a Milan stockbroker. He owns a toll road between Milan and Turin, and his construction company will help build high-speed train lines linking Turin to Milan and Genoa to Milan.

Agnelli family

Net worth: $3 billion

The Agnellis' 40% holding in Fiat has lost half its value in three years, but their French and Italian nonauto holdings are doing all right.

At Fiat, a seven-year $32 billion capital investment program is under way. Fiat needs to update its models. Its strength has been small city cars, but Ford's Spanish-built Fiesta has been cutting Fiat's market share. The large Croma was a failure. Its acquisitions of Alfa Romeo and Lancia have failed to do much for Fiat.

Almost the entire line will need to be updated before the Japanese imports are allowed to hit full flood in Europe after 1999. Fiat's truck and tractor operations are also underperforming.

It is building a new state-of-the-art plant in southern Italy and will turn out a redesigned Uno, Fiat's top-selling car, by late 1993. Some $2 billion is being invested in the Polish carmaker known as FSM; Fiat has old ties with Eastern Europe, and Poland promises cheaper labor than Italy.

Benetton family

Net worth: $2.1 billion

Four siblings founded their clothing company—Benetton Group SpA. The Benettons revel in unconventional image advertising: not about clothing. Until recently it was relentlessly cheerful youth displaying multiracial and multinational harmony that suggested to its young (mainly 18-to-34-year-old) target audience that Benetton was "with it." Now Benetton is "with" a different image it hopes will appeal to the young in the 1990s: stark images of a family with a son visibly near death from AIDS, or Albanian refugees jumping into the ocean from a ship. In a not-so-subtle way, the Benettons seem to have

Gianni Agnelli

But will he smile for the Japanese?

caught the spirit of the current fin de millennium: We've got it good, but we feel guilty. (A subject that FORBES will tackle in its 75th Anniversary issue this September.)

United Kingdom

By Gregory Viscusi

Vestey family

Net worth: at least $1.2 billion

Timothy Vestey, only 31, has just taken the helm of his family's century-old meat-based business empire. The $3 billion (revenues) group has ranches in Brazil and Venezuela, connected to the home islands by a fleet of refrigerator ships run by their Frederick Leyland shipping business. Back home is the J.H. Dewhurst chain of 1,100 butcher shops.

Timothy's father, Edmund, and his cousin, Samuel Lord Vestey, have given up running the business after nearly running it into the ground. News of trouble broke last year when Union International, the family's largest company, had to reschedule about $720 million of debt. Poor management is the cause of the trouble, but it was attempts at real estate development in London that exposed the Vesteys' shocking weakness. U.K. property has slumped as much as 40%—back to 1987 levels—and Union is sitting on office blocks it fecklessly built and can't rent. Further writedowns may loom. The upshot: Pop and Cuz retain ultimate power through family trusts, but now spend more time on hunting and polo.

Young Timothy never went to college. But he did do a stint in the army, and he has worked in the business since he was 22, in Australia, Latin America and Britain.

Tim is known to be friendly and approachable in a family famous for secrecy, but since he took over in June 1991, he has shown remarkable steel. He is decentralizing and shrinking the operating divisions' bloated staffs. He closed eight meat-trading branches on the continent and replaced them with one office in the Netherlands to serve all the rapidly unifying EC. He sold off peripheral losers like insurance brokering and introduced stricter financial controls. He also recruited Terry Robinson, who was the heir apparent to Tiny Rowland at Lonrho, as chief executive to manage Union and negotiate refinancing. Robinson will help Tim cut back to the core meat and property businesses.

Since last year the Vesteys have sunk about $65 million of family money into shoring up their empire. A lot now rides on young Timothy Vestey's shoulders.

Richard Branson

Net worth: $1.2 billion

Rarely seen with a haircut or a necktie, Branson joins the ranks of world billionaires at age 42. In March he sold his Virgin record label to Thorn EMI Plc. for $961 million. That leaves his private Virgin Group Plc. with 28 Virgin music retail megastores in eight countries, and his Virgin Air, an expanding carrier that offers first-class service for business-class prices and business class at economy prices. Britain's government is talking seriously of privatizing British Rail; Branson has said he's interested in the rail business. The onetime flouter of conventions is now married and lives in a house, not a houseboat.

Moores family

Net worth: $1.1 billion

Liverpool's richest family is still headed by 96-year-old Sir John Moores. Their Littlewoods is Britain's downmarket retailer and operator of football betting pools. The retailing and betting businesses are doing well, but they could not find a buyer for their mail order division, which is no longer for sale. There's a cloud on the horizon. With Britain in the EC, Continental mail order firms are eyeing the Moores' home market.

Gerald Cavendish Grosvenor

Net worth: well over $1.6 billion

The Duke of Westminster runs his 300-year-old family real estate fortune, based on 300 acres of prime central London, through Grosvenor Estate Holdings. Many institutional investors prefer bonds to real estate these days, and property prices and rents are sinking in most major cities. The duke isn't fazed; he thinks in the long term. Says one associate of his employer's philosophy: "Business cycles come and go as sure as night and day." The family's overseas operating company, Grosvenor International, is based in Vancouver, B.C.

David Sainsbury and family

Net worth: $6.2 billion

The family still owns nearly 40% of highly profitable British supermarket chain J Sainsbury Plc., founded 123 years ago. David, 51, deputy chairman, alone owns $2.8 billion worth of Sainsbury stock. Other very wealthy Sainsburys include his cousin John Sainsbury, retiring as chairman in November, at 65. In the U.S., Sainsbury owns the Shaw's supermarket chain, with some 70 stores in New England.

Greece

By Gregory Viscusi

Stavros Niarchos

Net worth: well over $1 billion

Known as one of "The Golden Greeks," Niarchos, now 83, is in bad health after repeated surgery. With the Niarchos family's fabulous art collection, racehorses, real estate and, say sources, lots of cash, at risk, Niarchos reportedly is pulling his tankers off U.S. routes. And giant Shell Oil no longer delivers crude using its own ships to most U.S. ports. That's in response to federal legislation inspired by the *Exxon Valdez* disaster that puts unlimited liability on shippers that spill oil in U.S. waters.

Niarchos at Swiss sanatorium

Says no to unlimited liability.

Observers predict unintended consequences. The better shippers like Niarchos, with the safest tankers, will retreat and make way for quick-buck operators with poorer ships and fewer scruples about safety.

Goulandris family

Net worth: over $1.6 billion

A Goulandris niece, Chryssie, 44, married H.J. Heinz Co. Chairman Anthony O'Reilly last September. O'Reilly made $75 million last year, more than any other U.S. chief executive (FORBES, *May 25*). But at home he's the poorer spouse. Chryssie's uncle, Basil Peter Goulandris, runs one of this shipping family's three branches out of New York, London and Athens. Cousins run London-based N.J. Goulandris Ltd. and Goulandris Brothers Ltd. Tanker values have dived since the Gulf war. Operators (particularly Norwegians) who bought ships at the last peak with lots of borrowed money have high debt burdens, low ship rates and rising costs. If they must sell, the Goulandrises and other Greek shipping families will probably be ready to buy. "They must be sitting around with crocodile grins," says an observer.

John Latsis

Net worth: over $1.6 billion

Last summer Latsis, 82, lent his 400-foot yacht to the Prince and Princess of Wales for a "second honeymoon." But to judge from the royal couple's marital problems, the cruise didn't do much good.

Latsis gave Britain's Conservative Party $3.6 million for last spring's election, which the Tories won. Latsis also has close ties with many Saudis, including the royal family.

He has been buying depressed real estate in prime central London locations, a gamble. "If I were in his position, I would be nervous," says the British real estate executive who sold Latsis an office/apartment building on Park Lane for what he calls "a generous" $18 million. Meanwhile, son Spiro is busy setting up private banks in London, Geneva, Athens and Luxembourg.

Spain

By Pablo Galarza

As Spain wrestles with the problems of getting on equal footing with its EC partners, its billionaires wrestle with the gathering problems of Spain: inflation, high interest rates, economic slowdown after a long boom, border-crossing by foreign competition.

March family

Net worth: over $1.5 billion

Brothers Juan, 52, and Carlos, 46, control much of holding company CF Alba, which is heavy in construction-related businesses, and all of Banca March. But Spain's economy is suffering growing pains, and so are the March interests. Construction is slowing and banks are hurting. The only strong sector of the visible March portfolio is an interest in the burgeoning hypermarket industry: In Spain, too, more women are going to work, which means more disposable income to spend—and a need for fast, convenient, one-stop places to spend it.

Botin family

Net worth: over $1 billion

Headed by Emilio Botin Sr., 89, but led by Emilio Jr., 57, the family controls its Banco Santander through direct and indirect holdings. If European banks are coming to Spain, Santander will go to Europe. With Royal Bank of Scotland (of which Santander bought 10%), the bank has developed IBOS (interbanking on-line system), a computerized leg up on the correspondent-bank system. It allows customers to use branches of any member bank for any transaction, as if they were all one big bank. Yet each retains the advantage of being local. Portugal's Banco do Comercio e Industria and France's Crédit Commercial have joined IBOS. Santander wants a bank from every EC country.

Alicia and Esther Koplowitz

Net worth: near $2 billion

Having notoriously shed their adulterous spouses, the billionaire Koplowitz sisters, daughters of a refugee from Nazi Germany, have merged

Esther

EFE/Sipa

Alicia

the two companies they inherited. Now they own 70% of public Fomentos de Construcciones y Contratas, one of the largest construction companies in Spain. A necessary move: first, to compete for the biggest contracts in EC-opened Spain; and second, to compete in Spain-opened EC. As Spain becomes a richer society, the second piece of their company—30% of revenues are from a sanitation division—should benefit: Soon Spain, too, will be able to afford more waste.

Switzerland

By Linda Killian

Stephan Schmidheiny

Net worth: $1.5 billion
Concerned with environmental issues, Schmidheiny addressed the Earth Summit in Rio as chairman of his U.N.-affiliated Business Council for Sustainable Development. It wants to promote development that uses energy more efficiently, producing less pollution and protecting the environment for future generations. Stephan, 45, spends much of his time trying to convert other businessmen to the cause rather than on his Swiss holding companies Anova, Nueva, and Unotec. They own trading, engineering, real estate, construction and electronics firms, plus camera and optical instrument maker Leica, which is fast expanding in the Far East.

Older brother Thomas, 47, estimated net worth of $500 million, controls Switzerland's Holderbank, one of the world's biggest in cement production.

Baron Hans Heinrich Thyssen-Bornemisza

Net worth: around $1.5 billion
Many countries wanted it, but Spain will get the baron's $1 billion art collection, including John Constable's "The Lock," for which he paid $19 million in 1990. Many of his 1,400 paintings will soon be on view in a 16th-century Madrid palace. He is lending the collection to Spain for nine years, but there is no decision yet on who gets it when he dies. Why Spain? The fact that the 71-year-old baron's latest wife, Carmen, 48, is a former Miss Spain no doubt helped.

Meanwhile, the baron's son Georg, 41, unmarried, manages Thyssen-Bornemisza Group, the family's business interests, based in Monaco. It recently sold some businesses but still has operations in information systems, precision metal works, agricultural machines and electrical testing and measurement.

Hans Liebherr

Net worth: $1.2 billion
Working at his parents' building company in southern Germany after the war, Hans developed a construction crane that was easy to move from one building site to another. With that idea, Liebherr International (1991 sales near $3 billion) was born in 1949. Hans, now 76 and still chairman (his four sons and daughter each run a division), makes our list for the first time this year. The company has been Swiss since 1983 for tax reasons.

Germany remains Liebherr's single biggest market, bigger still with the reconstruction of what used to be East Germany. Most sales are of very high quality construction equipment: cranes, excavators, loaders, concrete mixers. The company also makes refrigeration units, as well as landing gear and air-conditioning for aircraft, which drew Liebherr into Boeing's 777 jumbo jet program and maybe a permanent foothold in the U.S. aircraft equipment market. Other family holdings include six European hotels and three U.S. farms.

Maus/Nordmann family

Net worth: $1 billion
After taking on a huge amount of debt to acquire Carson Pirie Scott, Chicago's number two department store chain, in 1989, the Maus/Nordmann's Bergner & Co. department store chain filed Chapter 11 last August. "In retrospect we paid too much for the company," admits a spokesman. The family may have sold its 40% of prestigious French department store Au Printemps for $625 million last fall to raise cash for the American disaster. The families, related by marriage since 1929, can fall back on their still healthy Maus Frères department stores throughout Switzerland.

Klaus Jacobs

Net worth: $1.5 billion

Having sold his family's coffee-and-chocolate firm, Jacobs Suchard, to Philip Morris for $1.4 billion in 1990, Jacobs, 55, paid $340 million for 28% of Swiss-based Adia S.A., the world's second-largest temporary employment agency. Adia's shares promptly plunged 70%: Its temp business hasn't proved recession-proof, especially in the U.S. His American confectionery, E.J. Brach, is hurting, too.

Walter Haefner

Net worth: $1.2 billion

Careal, heart of his fortune, is the Swiss distributor for Porsche, VW and Audi; sales, about $1.75 billion, 16% of the Swiss car market. A recession has cut car sales, but Haefner also owns 21% of U.S. software company Computer Associates. His son, a math professor, and daughter, who works with the mentally handicapped, show no interest in the business. Haefner, at 82, shows no sign of retiring.

Hoffmann family

Net worth: over $2.8 billion

Paul Sacher, 86, has for many years been on the board of pharmaceutical giant Hoffmann-LaRoche. His late wife, Maja, was the widow of Emanuel Hoffmann, only son of company founder Fritz Hoffmann. He lives quietly, at Karl Kipp's *(which see)* five-star Tschuggin Hotel in Arosa, Switzerland in season, and presides over the Hoffmann and LaRoche families' controlling, special voting shares in the $21 billion (market value) company.

Sweden

By Linda Killian

Rausing brothers

Net worth: $7 billion

After ten years in Switzerland, Tetra Pak joins other Swedish firms coming home after the government cut taxes on personal income, capital gains, dividends and interest income. The $8 billion (sales) company is a worldwide maker of sealed packaging that permits long-term storage of spoilable liquids without refrigeration. Another reason for going home is last year's $2.45 billion acquisition of Alfa-Laval, Sweden's big dairy and food processing equipment company. Hans, 66, chairman, and brother Gad, 70, who isn't active in management, own the whole company. They remain tax refugees living in the U.K.

Ingvar Kamprad

Net worth: $2.8 billion

Swedish-based Ikea, the discount furniture chain founded by Kamprad, still gets 85% of its $3.8 billion sales in Europe. But it pushes hard in the U.S. and is adding Budapest, Prague, Leipzig and Warsaw. Kamprad, now 66, stays chairman: "I don't think he will ever slow down. This is his life," says a company spokesman.

Netherlands

By Linda Killian

Fentener Van Vlissingen family

Net worth: $2.8 billion

The family fortune is based on stakes in European oil and natural gas companies Calor and Primagaz, and retail chains Makro and Metro. Grouped under SHV Holdings, they're run by Paul Van Vlissingen, 51. Brother Frits Henry, 58, runs the family's private investment company. Brother John, 53, ran Noro Group, an investment group that also handled an estimated $1 billion of family money. Last fall John was cleared of shareholders' charges that he manipulated funds to benefit himself while they took big losses on real estate. However, he resigned as head of the group.

Brenninkmeyer family

Net worth: well over $4 billion

A supersecretive clan, the Brenninkmeyers own a 150-year-old chain of low-priced apparel stores, now worldwide. In Europe, they are C&A; German sales are near $5 billion. In the U.S., eight regional chains with 1,200 stores: The Lodge in New England, Steinbachs in New York. Family are devout Roman Catholics and one member is a South African bishop. Now fifth-generation, the clan is still based around its retreat in Bettingen on the German border, where most family members are buried.

Denmark

By Linda Killian

Kristiansen family

Net worth: at least $1.5 billion

Lego Systems A/S, maker of those brightly colored plastic Lego blocks, is among the globe's top ten toy companies. Worldwide sales estimated at $1.7 billion. The private company was founded in 1932 by Ole Kirk Christiansen (d. 1958). His heirs still own the company and changed the spelling of the family name. Son Godtfred, 72, is chairman; the company is run by grandson Kjeld Kirk Kristiansen, 43. Based in tiny Billund, 150 miles west of Copenhagen, the company operates Legoland, a city made from 42 million Lego blocks. Legoland is Denmark's second-biggest tourist draw. Kjeld, who lives near the factory and is considered a workaholic, is thinking of building new Legolands, at $100 million each, in Europe and the U.S. San Diego, Boston and Washington, D.C. are possible sites.

Germany

By Diana Fong, Linda Killian and Philip Glouchevitch with Forbes von Burda

Opening to the East

Some of Germany's billionaires understand perfectly well that long-term opportunity often comes dressed as short-term trouble, and act accordingly. Although they do not underrate the problems of investing in the part of their country that was formerly a socialist republic, neither are they willing to forgo what could be the chance of a lifetime to gain a foothold in an economy of 17 million people that has only one direction to go: up.

Erivan Haub

Net worth: $6.9 billion

Germany's richest individual, he's also the biggest individual player in the opening to the East. His Tengelmann Group supermarket chain is investing some $190 million annually in eastern Germany, to build the same 8% market share he has in the West: a big reason his German sales were up 22% in 1991, to $13 billion. A new $125 million supply center just outside Dresden, his biggest and most modern, will service Haub's PLUS discount stores in eastern Germany as well as stores yet to come in Poland and Czechoslovakia. To help eastern producers stand up to western competition, Tengelmann has guaranteed to buy certain eastern German products. Haub's stores, east and west, stock 800 such items.

Haub, 59, and his wife, Helga, hold precautionary dual Canadian-German citizenship; His sons have U.S. citizenship. The family owns the A&P grocery chain in the U.S.

But he's facing East.

GUMMY
CIRCUS

B.C. Moller/Woodfin Camp

Erivan Haub

World's richest green?

D P A/Photoreporters

Johanna Quandt

And she has two billionaire children.

Johanna, Susanne and Stefan Quandt

Net worth: over $4 billion

The widow Johanna, 65, and two children of industrialist Herbert Quandt (d. 1982) own over 60% of BMW—1991 revenues $19 billion—which Herbert built up. BMW sold nearly 10,000 cars in eastern Germany last year, up from zero not long ago. (Eastern Germans bought 500,000 cars last year.)

BMW is only the most visible part of the Quandt empire. Herbert's children from an earlier marriage own a controlling stake in Varta A.G., Europe's second-leading battery maker. Susanne, 29, controls Altana A.G., a diversified company best known for pharmaceuticals. Stefan, on turning 25 this year, will get control of Delton A.G., which controls a variety of businesses, and be a billionaire himself.

Heinz Bauer

Net worth: $1.6 billion

Bauer, 52, also is quick to benefit from the East's appetite for all things Western. His Bauer Verlag publishes Germany's equivalent of *TV Guide* and a string of women's and other magazines like *Quick, Bravo* and *Tina*, putting it in Germany's Big Four magazine publishers (with Springer, Bertelsmann's Gruner + Jahr, and Burda, publisher of our sister magazine Forbes von Burda).

Bauer has seen sales jump 20% (to $1.6 billion) since the Wall came down. He has the East to thank, though his company says its women's magazines in the U.S., *Woman's*

World and *First for Women*, sold in supermarkets, are "in the black."

Oetker family

Net worth: $3.2 billion
Dr. Oetker is to Germans what Betty Crocker or Stouffers is to Americans. Puddings, cake mixes and frozen foods bearing the name are familiar to virtually every household. Oetker products also appear in almost every European country except Britain. For it, the 1990s strategy is to concentrate on Eastern Europe. It has control again of a Polish food plant in Gdansk that belonged to the Oetker group until 1944; it has a new joint sales venture with a Czechoslovakian partner. There will be more: The Oetkers, now led by a great-grandson of the founder, also named August Oetker (he's 48), are in shipping, luxury hotels, supermarkets, breweries and financial services.

Grete Schickedanz and family

Net worth: $3.3 billion
At 80, Grete Schickedanz still oversees Quelle, Europe's biggest (1991-92 sales, $9.4 billion) mail-order house. She has turned active management over to her son-in-law Wolfgang Buhler, who also runs her Apollo optical chain, furniture retailing, photo outlets and a Coca-Cola concession. Quelle got a huge boost from German reunification, but with eastern Germany at least temporarily leveling off, the company is looking for customers elsewhere in the former Eastern bloc. There is the small-potatoes Intermoda catalog in Russia, which sells for hard currency, not rubles. Quelle is also in Hungary, Czechoslovakia and Poland, in local currencies. "We want to have our foot in the door from the very beginning," explains a director.

Herz family

Net worth: $2 billion
Walk in a German shopping district, and you're likely to smell the aroma of freshly roasted coffee from one of 600 Tchibo stores—which also sell discounted VCRs, makeup kits, cookware and bathrobes. The founder's son, Gunter, 52, is taking Tchibo Frisch Rost Kaffee beyond eastern Germany, to undercoffeed Czechoslovakia. Tchibo Holding has 26% of Beiersdorf (Nivea skin creams) and 71.4% of

Albrecht brothers

Theodore Albrecht

Just one of 2,200 Aldi discount stores in Germany
How to make billions on penny-pinching.

Karl Albrecht

Net worth: $5.1 billion
If you think Wal-Mart's tough, try the Aldi supermarket chain, founded 1948 by secretive Theodore, 70, and Karl, 72. It is now international, with 300 stores in the U.S.' Midwest under the Aldi sign. Low-cost? Try 20% below even discount supermarkets. With prices like this Aldi's stores get by with almost no advertising.

The secret of the low prices is tight penny-pinching. Aldi stocks mostly canned and dry goods, and little meat and dairy, saving the costs of spoilable produce. It stocks only 500 to 600 basic items, which is about all the cashiers' memories can manage. The cashiers manually punch in numerical codes faster than any fancy electronic scanner because they know the price of every item in the store. That means price labels are not needed on the cans and packages. And when they're not tending the till, cashiers replenish shelves or mop floors, or are sent home when business gets slow. Aldi pays above-average union wages and does everything it can to keep unions out or undermined and weak. By dividing its 2,100 western German stores into 32 independent regional companies, it tries to deny companywide unions any real leverage on Aldi.

This powerhouse of Spartanism is growing: It has a reported 100 new supermarkets in eastern Germany. It has 40 in Britain—and plans 200 by mid-1993. It is renting space in stores of a major British chain, Gateway, which will supply fresh foods to the Aldi customers. Might the U.S.' Albertson's supermarket chain try the same deal? The Albrechts have owned 11% of it for years.

Reemtsma, Germany's second-largest cigarette maker after Philip Morris GmbH, to take east.

von Siemens family

Net worth: $2.2 billion

A von Siemens family trust retains 10% of the stock and effective voting control of giant Siemens A.G. Siemens' new CEO will be Heinrich von Pierer, 51, the engine behind last year's acquisition by Siemens of controlling stakes in Czechoslovakia's Skoda energy and transport units. That was part of an overall expansion plan to reestablish Siemens' big prewar business in Eastern Europe. Eastern Germany has already generated $2.1 billion in orders. Expect more.

Bosch family

Net worth: $1.2 billion

Robert Jr., 64, a psychologist, and sister Eva Madelung own 8% of late father's Robert Bosch GmbH, one of Germany's ten biggest companies (world sales, $20 billion), which makes automotive parts, consumer goods, communications and industrial equipment. Robert Jr. is on the board of the charitable foundation owning the other 92% of the firm.

Haindl family

Net worth: $2.1 billion

Clemens Haindl, 55, has taken over from brother Ernst, 66, the direction of Germany's third-largest paper company, Haindl KGaA (1990 sales, $1.4 billion). Two years ago the company invested over $250 million in an old East German paper plant in Schwedt, on Germany's Polish border—a big bet. When fully operational in 1993, it will boost company newsprint capacity 25%.

Merck family

Net worth: $2.5 billion

Merck Group, a big maker of pharmaceuticals and chemicals long since severed from the U.S.' Merck, Inc., grows slowly but surely. It let itself be outbid recently for what had been East Germany's leading pharmaceutical company. Chief Executive Hans Joachim Langmann, 67, a family member, said he regretted that, but Merck won't get into bidding contests that carry prices beyond what it considers reasonable.

Henkel family

Net worth: $4.3 billion

Family owned (except some public nonvoting preferred stock) specialty chemicals and consumer products company Henkel KGaA is spreading through the world. In the U.S. it has its own specialty chemicals operations, plus 27% of Clorox and 26% of Loctite. Last year Henkel paid over $550 million for Swedish cosmetics firm Barnangen, which is also strong in Italy, France and Spain. Henkel is also in Hong Kong and Southeast Asia and recently moved into Poland.

Otto family

Net worth: $2.6 billion

Hamburg-based Otto Versand, the world's biggest mail-order house (sales $12.8 billion), has brought seven-day, round-the-clock home shopping by telephone, common in the U.S., to Germany. What of the German labor laws that forbid night shifts and weekend work? Simple. Otto Versand channels telephone orders from Germany into nearby Denmark, a country with some of the most liberal labor laws in the EC. Otto Versand is run by Michael Otto, 49, eldest son of founder Werner Otto's five children. The company is growing internationally, having acquired Spiegel here in 1982. It's got Grattan in the U.K., Trois Suisses in France, Otto-Sumisho in Japan, and presences in eight other countries.

The Metro Billionaires

One of the world's biggest businesses started by getting around Germany's labor laws—creating two billionaire fortunes and greatly augmenting another. Otto Beisheim, 68, founded German-origin retail and wholesale giant Metro. Its 1991 sales are estimated at $30 billion.

Otto Beisheim

Net worth: $3.4 billion

In 1964 Otto Beisheim saw U.S. cash-and-carry stores and realized a wholesale operation could get around Germany's restrictive store closure laws, which forbade evening and weekend hours. He would be a wholesaler, exempt from the law, instead of a retailer. But he'd wholesale to almost anyone who came in. Beisheim brought in the Schmidt-Ruthenbeck and Haniel families, operators of supermarkets and food distribution chains, as partners when he ran short of cash early on.

Beisheim still guides Metro, and in February, with several partners, launched a German cable channel to air popular American and British

Beisheim (with mobile phone) at Key Biscayne tennis tournament

If his houseboy answers, don't hang up.

films. He travels on a Swiss passport to winter in Bal Harbor, Fla. Beisheim hates publicity: He pretended to a FORBES reporter on the phone that he was his own German housekeeper. An avid sports fan, he golfs (11 handicap), has three foundations that mainly fund athletic programs, and frequents tennis tournaments.

Haniel family

Net worth: estimated $6.4 billion

This clan runs its own giant company plus its Metro holding. Franz Haniel & Cie. GmbH (1991 sales, $10.8 billion) owns major food wholesalers Scrivener's and Gateway Foods in the U.S. and is investing $600 million in eastern Germany to develop pharmaceutical, trucking, environmental consulting businesses. (The latter, with customers like Volkswagen, is growing at double-digit rates.)

Schmidt-Ruthenbeck family

Net worth: $3.4 billion

Secretive brothers Michael and Rainer Schmidt-Ruthenbeck live quietly, somewhere, vastly enriched by their late father's fortunate investment in Metro.

The fight with Germany's retail association—and trade unions—over Metro's extended hours continues, while Metro has grown and grown. Along the way it added 51% of big German retailer Kaufhof and holdings in two others, Asko and Kipp's *(which see)* Massa.

In the U.S. it owns wholesaler Jetro Cash and Carry. Chief Executive Erwin Conradi says nearly 50% of Metro's business is now in outright retailing operations, and that is where it will grow: Elsewhere, it doesn't need to worry about Germany's crazy paternalism. *(See also the Otto family.)*

Leo Kirch

Net worth: $1.5 billion

Kirch, 65, is Europe's leading distributor of movies, and of TV reruns. Like the Metro billionaires, he avoids the limelight, exercising control behind the scenes: He has stakes in most of Germany's private, cable and pay TV channels. A few years ago Kirch sold a huge film package to a company owned by Beisheim, who flipped the films at a big profit to private stations—one part-owned by son Thomas, the other mostly owned by Kirch and mass newspaper publisher Axel Springer, where Kirch has 26% and has forced his way on to the board. Kirch also has close ties with Italian media mogul Silvio Berlusconi *(which see)*.

Reinhard Mohn

Net worth: $3.7 billion

Mohn, 71, built up media giant Bertelsmann (1991 sales, $9.3 billion) from his family's tiny, bombed-out hymnbook publisher after World War II. Bertelsmann paid $475 million for the U.S.' Doubleday publishing and $333 million for RCA Records in 1986, but dropped out of the bidding for Richard Branson's Virgin Music Group when Thorn EMI paid £510 million for Virgin. "That's at least double what we would've wanted to pay—not that we don't have the money," explains a spokesman. More to the company's liking was an 868,000-square-foot office building in New York's Times Square bought in March for $119 million to house U.S. operations, which include the music and publishing divisions. That's about $137 a square foot, vs. about $300 a square foot a couple years ago.

von Oppenheim family

Net worth: $2.8 billion

Baron Alfred, 58, and cousin Manfred, 68, are making Sal. Oppenheim Jr. & Cie. bank (equity, $622 million) a force to be reckoned with in post-1992 Europe, adding industrial and trade clients and institutional investors to the high-net-worth individuals at Germany's biggest private bank. There is a New York connection with the Blackstone Group, for transatlantic mergers and acquisitions.

Wedding bells

Friedrich Karl Flick Jr.

Net worth: $3.3 billion

Flick, 65, enjoys life with third wife, Ingrid, 32, after liquidating family's industrial empire in 1986. He successfully invested a few million in proving kidnapping is a dumb crime. When a hapless gang grabbed Flick's brother-in-law near his home in Austria, just before Christmas, Flick put up the DM 10 million ransom. When the ransom was paid, reportedly at a Vienna train station, the police were waiting. The victim was safe; Flick got his investment back.

Chantal Grundig

Net worth: $2.2 billion

At 43, the widow of German business legend Max Grundig (d. 1989 at age 81) minds the big stakes he left behind in Dutch consumer electronics giant N.V. Philips and his own Grundig A.G. for her and their daughter, Maria-Alexandra, age 12. But even billionairesses need more than money to be happy: She may finally be able to marry her lover, a heart surgeon, 54—he recently divorced his wife of 30 years.

August and Wilhelm von Finck

Net worth: $2.5 billion
Wilhelm, 64, pursues the life of a Bavarian country gentleman on his vast estates near Munich. Brother August, 62, is the active one. Last January he bought a controlling interest in a struggling Swiss-based restaurant chain, Mövenpick. In March he bought an estimated 10% of Swiss metals company Alusuisse. Back home in Bavaria, he continues to hold the majority of Würzburger Hofbräu and Löwenbräu breweries as well as a stake in a variety of banking and industrial interests.

Josef Schörghuber

Net worth: $2.4 billion
Known as "Bavaria's Goldfinger" for his massive real estate deals and his massive girth, Schorghuber, 72, owns prime Munich real estate, a construction outfit, Coca-Cola concessions, the Arabella hotel chain (named after his daughter but run by son Stefan), and several breweries, including Paulaner, Bavaria's largest, which is in the red after a fouled-up attempt to expand in northern Germany.

Karl Heinz Kipp

Net worth: $2.4 billion
Another retired German retail power, 68, lives in Switzerland's five-star Tschuggen Hotel, which he owns with three others. He sold his Massa discount stores years ago—but collects $60 million annual rent until 2015 on the buildings occupied by the 27-store chain. He also has New York office buildings formerly managed by son Ernst Ludwig of Annapolis, Md. Ernst is now out of the family business; Kipp's daughter, Ursula Bechtolsheimer, and her husband are in.

Voith family

Net worth: $2.4 billion
The feud between two Voith family branches ended in the division into two parts of J.M. Voith GmbH, the 125-year-old manufacturer of papermaking machinery and heavy equipment. One set of cousins will keep the core industrial businesses, while the other takes the private financial holding company, known as DEWB A.G., and some lesser machine-tool businesses.

Mann family

Net worth: $2.1 billion
The family-owned Wertkauf/Mann group has 20 German hypermarkets and Mann Mobilia furniture stores, estimated sales $2.1 billion. Hugo Mann, 78, acquired Fed-Mart (California and Texas) in 1975 to introduce hypermarkets; his effort had failed by 1983. Son Johannes, 40, now runs the group, and is just as secretive as his father. Mother Rose, however, wrote a cookbook.

Willi Leibbrand

Net worth: $1.9 billion
Having sold out his discount supermarket outlets to Cologne-based Rewe Zentrale and liquidated his U.S. holdings, Leibbrand, 60, is making his mark in the wine business. Now retired, Leibbrand spends much of his time at the Hotel Schloss Reinhartshausen, a 53-room château on the Rhine near Frankfurt, which he bought four years ago. The hotel's 400 acres of vineyards produce Schloss Reinhartshausen Rieslings and chardonnays. His company also imports Mondavi wines and Taittinger champagne to Germany.

Freudenberg family

Net worth: $1.9 billion
Freudenberg Group, near Heidelberg, is world leader in nonwoven textiles, used in interlining garments, tufted carpets and baby diapers—40% of 1991's $2.8 billion turnover. Run by fourth-generation Reinhart Freudenberg, 60, it started from a tannery that still supplies boxcalf leather for shoes to Bally and Allen-Edmonds. Diversified industrial products are roughly half of sales.

Rolf Gerling

Net worth: $1.8 billion
Hans Gerling, who died last August at 76, built Gerling-Konzern into Europe's largest insurer of industrial risks (1991 premium income: $6.1 billion). He almost lost it all in that

Rolf Gerling
He prefers research, but he intends to keep his patrimony.

infamous banking crisis, the Herstatt affair of 1974, but won it back, thanks to help from fellow billionaire Flick *(which see)*.

Control passed to son Rolf, 38, (three sisters were bought out years ago). Rolf, whose father appointed Adolf Kracht to run the business, himself will be busy with his research institute specializing in industrial psychology and with his passionate environmentalist interests.

Boehringer family

Net worth: $1.8 billion

Family head Hubertus Liebrecht died last July. A nonfamily executive moved up to chief executive of the pharmaceutical Boehringer Ingelheim Group (1991 sales, $3.4 billion), but the family is committed to keeping the 100-year-old company, if necessary paring down its businesses (cardiovascular, immunology, central nervous system and respiratory drugs) to concentrate its resources. Boehringer is active worldwide. In Japan (11% of sales), the company now owns its own distribution.

Porsche family

Net worth: $1.7 billion

Descendants of auto genius Ferdinand Porsche, foremost among them Ferdinand Piëch, 55, new chairman of Volkswagen (FORBES, *Apr. 27*). The family's German sports car company is troubled, but Porsche's Weissach research center and the separate Porsche holding company in Austria still prosper.

Röchling family

Net worth: $1.6 billion

Public Rheinmetall, based in Düsseldorf, supplied weapons to German leaders from Kaiser Wilhelm II to Adolf Hitler. Besides tanks, artillery and ammunition, it now makes automotive components and industrial machinery—and has a large paper machinery plant in Enfield, Conn. The Röchling family, with over 150 members, own 63% through their private holding company, which also owns engineering plastics, measurement instruments and telecommunications equipment firms.

Engelhorn family

Net worth: $1.5 billion

The Engelhorns, new to this list, have been producing pharmaceuticals for more than a century. They control the Boehringer Mannheim Group through a Bermuda holding company and have offices in London and Luxembourg. Boehringer is best known for diagnostic testing, as well as heart and diabetes drugs, which it sells in the U.S. and many other countries, including Germany. Curt Engelhorn, 66, (pictured above) who studied chemical engineering at the University of Texas, still oversees things after running the group for 30 years.

Werhahn family

Net worth: over $1.3 billion

The little-known Werhahns of Neuss on the Rhine, over 180 strong, have Wilhelm Werhahn K.G.: building materials, flour milling and much else (1991 sales, $2 billion). Also 50% of Strabag Bau, Germany's fourth-largest construction company. There is much more: A recently hired manager told a German magazine he was "surprised by the enormity of the Werhahns' hidden assets."

Adolf Merckle

Net worth: $1.3 billion

Merckle Group: Ratiopharm, Germany's leading generic drug producer; major drug wholesaler Ferd. Schulze GmbH; stakes in three other drug companies and a cement company; develops brand-name drugs through Merckle GmbH. Built on a family drug company by secretive Adolf, 58, the group cannot expand further in Germany without cartel problems. It is looking abroad.

Brost family
Funke family

Net worth: each $1.3 billion

Liberal Erich Brost, conservative Jakob Funke (d. 1975) founded regional daily *Westdeutsche Allgemeine Zeitung* (WAZ) 1948. They built Essen-based WAZ Group into Germany's largest regional publisher with low subscription rates, extensive classifieds. It has three other Ruhr dailies, magazines, stakes in TV and local radio stations, two of Austria's largest papers—25% of Otto Versand *(see Otto)*. Half is owned by Funke's four daughters, half by Brost, 88, and adopted son Erich Schumann, 61.

Reimann family

Net worth: $1.3 billion

Eleven Reimanns own Joh. A. Benckiser GmbH (1991 sales: $2.3 billion). Ambitious Benckiser is acquiring fast in consumer products from perfume to detergent. In May it agreed to pay $440 million to Pfizer for Coty cosmetics in the U.S. Acquisitions are financed largely through bank debt and commercial paper, and equity is less than 20% of total capital. But operating cash flow is still over twice the debt service.

The Reimanns leave running the company to CEO Peter Harf, who is a fanatical cost-cutter. Benckiser, based in Ludwigshafen, will soon return to the small villa previous management felt it had outgrown—in the 1950s; the former headquarters was sold to chemicals giant BASF.

Conle family

Net worth: $1.1 billion

LTU (Lufttransport Union), the charter airline that recently took an option to buy Thomas Cook travel service, thrives by offering cheap tour packages to Germans bound for Spain, Greece or Turkey. But as European skies deregulate, competition rises and LTU (1991 sales, $1.6 billion) must adapt. It has added service to Asia and America and is starting a joint venture with Club Med. The Conle family owns 60%, but Westdeutsche Landesbank owns 34% and controls management. The bank envisages a public offering for LTU soon.

Middle East

Saudi Arabia

By R. Lee Sullivan

Unlike Kuwait, Saudi Arabia is enjoying an economic rebound that has spurred consumer demand up and down the Gulf. And it's not just a small claque of royal princes who are doing the buying.

Saudi Arabia (pop. 15 million) has a rapidly growing middle class. Spurred by television advertising, they're buying all manner of consumer goods. Especially popular: anything American in the wake of the Gulf war. Thanks largely to the consumer spending boom, gross domestic product rose 6.6% in 1991; 3% is expected this year.

Where are the Kuwaiti billionaires?

Kuwait's two biggest merchant families, the Al-Ghanims and the Al-Kharafis, are not back on this list more than a year after the Gulf war ended. They are still rich, but the depressed Kuwaiti economy makes their status somewhat uncertain.

The reason is simple: With the expulsion of foreigners following liberation, Kuwaiti businessmen have lost half their domestic market and their most skilled workers.

The emir has promised an election for the National Assembly in October. To stay popular with the only people who can vote, the government is throwing around tens of billions, yet the business economy languishes. Why? In effect, the ruling Al-Sabah family is trading economic growth for popularity. This is a continuation of its centuries-old struggle with the country's merchant families.

Forgiving $7 billion of personal debt and granting 25% raises for civil servants, who are most of the work force, creates goodwill for the Al-Sabahs. So does the expulsion of Palestinians and Jordanians, many perceived to have been traitorous.

But the expulsion cuts the population in half, to around 1.2 million. So demand is down. "Competition is cutthroat, and our prices are low," moans Mohsen Rifaat of Kharafi Industries. Experts foresee a permanent one-third reduction in commerce.

The salary increases are double-edged, too: Wages the merchants must pay to bid in the shrunken labor pool also go up. The merchants are often landlords as well: Real estate values are down 40%. Visitors speak of rows and rows of empty apartment buildings—200,000 vacant apartments, by one count.

Thus, while the middle class may be happy, merchants and capitalists are not. "Any economic policy the government has now has political roots," complains Abdul Aziz Al-Sultan, chairman of Gulf Bank, Kuwait's second largest. "They [the Al-Sabahs] are trying to consolidate their power." –R.L.S.

[illegible]

James Lukoski/Black Star

Ben Gibson/Katz/Saba

Kuwait a year later

Empty apartments, empty shops: election time.

Abdul Latif Jameel

Net worth: about $2 billion

Now in his 70s, Jameel has been sole agent for Toyota in the kingdom since 1955. With sales of 87,000 cars in 1991, Toyota grabbed 40% of the Saudi car market. Jameel also has interests in British-based car distributors Hartwell and Trimoco, and in U.S. real estate coast-to-coast. The property is held through his New York-based Jaymont Properties.

Suliman Olayan

Net worth: over $1 billion

This year Olayan, 74, will oversee openings of the first Saudi franchises for Hertz and Burger King, adding to his licenses from Colgate-Palmolive, Kimberly-Clark and other U.S. consumer goods companies. Olayan Group will soon complete a Coca-Cola bottling plant on Saudi soil, challenging dominant Pepsi. Olayan's companies play the Saudi stock market, as well; it has doubled in a year.

Suliman Saleh Olayan

As American as Coca-Cola?

Al-Rajhi family

Net worth: $4-billion-plus

The Al-Rajhi family is headed by brothers Sulaiman, Saleh, Abdullah and Mohamed. As offshore Saudi money has flooded back to play the local stock market, shares in the family's Al-Rajhi Banking & Investment Corp.—the major Islamic financial institution in devout Saudi Arabia—jumped enough to lift the value of the Al-Rajhis 50%, from $1.8 billion to $3.2 billion. The Koran forbids interest, and the Al-Rajhis' bank earns an astounding 6% return on assets. Billions of riyals are still stuffed in mattresses or shepherds' bedrolls outside the banking system, perhaps as much as one fifth of the Saudi $12 billion money supply. Plenty of potential for the Al-Rajhis' deposit base to grow.

Salim Ahmed Bin Mahfouz

Sovereign debt can't default, eh?

Bin Mahfouz family

Net worth: $2 billion

Something is very wrong at National Commercial Bank, Saudi Arabia's biggest (assets $23 billion). It has not released a balance sheet since 1989; its managers are squabbling with government auditors over numerous bad loans to many of the kingdom's roughly 5,000 royal princes.

Khalid Bin Salim Bin Mahfouz, 45, owns an estimated 80% of the bank, plus investments in Europe and the U.S. Bin Mahfouz is said to be in a power struggle with the bank's other cofounding family, the Kaakis. The Bin Mahfouzes were big holders in BCCI but sold out before the scandal broke. Their name has come up in documents, but they have not been charged with any wrongdoing.

Juffali family

Net worth: about $1 billion

The Juffalis' construction company, E.A. Juffali & Brothers, installed the first air-conditioning in the king's palace 40 years ago. Infrastructure spending is down, but today the company gets high-level military construction contracts, a strong business. The Juffali brothers—Ahmad and Ali—also run several consumer goods franchises, including IBM, Mercedes-Benz and Michelin, in the kingdom. Their foreign investments are managed from New York, through Enpro International.

Saleh Abdullah Kamel

Net worth: $1.9 billion
Kamel, 51, runs a conglomerate named Dallah-Albaraka, with interests in banking, trade and construction.

Outside Saudi Arabia, Kamel's Islamic banks provide venture capital (total assets, $2.5 billion) for underdeveloped Muslim countries. They include Central Asia's Muslim republics in the former Soviet Union. Kamel has opened a branch of Albaraka Bank in Alma-Ata, Kazakhstan. A second branch is slated for Moscow. Moscow? Kamel feels the city will continue to be the Central Asian Muslim region's trade and financial capital for a long time to come. Kamel recently took a part of United Press International.

Turkey

By Roula Khaiaf
and R. Lee Sullivan

Turkey's businessmen are turning their attention to the former Soviet republics. Turkey and the Central Asian republics share a common history and the Turkic language group—any Turk who spends a couple of weeks in a Central Asian country can quickly pick up the local dialect. Unlike people from most other nations interested in doing business in Central Asia, Turks are actually willing to settle there.

Few Turkish business people will be able to take advantage of Central Asian opportunities right away. The Turkish economy is suffering from inflation, recession and too many state-owned companies that need privatizing. But, for those with capital and contacts, the former Soviet republics promise to become a Turkish delight.

Nejat Ferit Eczacibasi

Net worth: $1 billion
Since 1948 Eczacibasi, 79, has been producing drugs under license from Western pharmaceutcial companies like Upjohn and Rhône-Poulenc; his Eczacibasi Holdings (sales, $1.1 billion) now claims 16% of the Turkish pharmaceutical market. But Eczacibasi's licensors don't let him sell his licensed drugs in the lucrative European and U.S. markets. So since the mid 1980s Eczacibasi has been exporting them to the Soviet Union.

Eczacibasi has big plans for the former U.S.S.R. republics. In August he will open, in Moscow, a pharmacy bearing the family name; it will sell Eczacibasi-produced generic drugs, as well as proprietary products under license. Eczacibasi is franchising its drugstores in other republics and hopes to build a chain of Eczacibasi drugstores all over the former empire. Supplies will at first come directly from Turkey. But Eczacibasi is also starting small-scale production of antibiotics, painkillers and cough drops in Russia. Says Eczacibasi, sitting in his mansion tucked away on a hill overlooking the Bosporus: "Can you imagine this country [the former Soviet Union] going up to space before the U.S.—and asking *us* to set up a pharmaceutical chain?"

As a young man, Eczacibasi wanted to be a doctor, but his father ordered him to join the family business, a little pharmacy in the Aegean port city of Izmir. After earning an advanced degree in biochemistry in Germany, he returned to Turkey for his military service. He was posted at an Ankara hospital on the eve of World War II. Insulin was in short supply, but Eczacibasi knew that the drug was extracted from animal pancreases. He collected sheep pancreases from slaughterhouses around the city and began to produce insulin.

The insulin put some money in the young man's pockets and made him famous. In 1941 he decided to leave his father's pharmacy and strike out on his own. "I was one of six sons, and my father wanted to divide up one pharmacy and one lab among his six children, which meant in my case one-sixth," explains Eczacibasi. "You can pick your chances, but you can't pick your brothers."

In 1948 the Turkish Industrial Development Bank opened and Eczacibasi borrowed $810,000, a lot of money in Turkey at the time. He used the capital to land his first license to make antibiotics from the Parke-Davis company, now part of Warner-Lambert. He went on to win 25 other pharmaceutical licenses.

Over the years Eczacibasi, like other Turkish billionaires, diversified—first into ceramics (the ceramics division now makes bathroom sinks and bathtubs and is the backbone of a $200-million-sales building materials business) and later into such far-flung industries as canned foods and gypsum blocks. When the Turkish government opened its economy in 1980, Eczacibasi and his oldest son Bulent, now 43 and in charge of day-to-day operations, sold off the extraneous operations and concentrated on pharmaceuticals, building materials and paper products. (Eczacibasi's younger son, Faruk, 38, runs the company's small computer division.)

His father's little pharmacy still stands on an Izmir street corner, and is run by one of the younger Eczacibasi brothers. Another brother works for (but owns none of) Eczacibasi Holdings.

Vehbi M. Koc

Net worth: over $3 billion
Founder and head of Koc Group (unconsolidated sales, $9.4 billion), and by far Turkey's richest man, Vehbi Koc wants to increase exports from 6% of sales to 20% within a few years. His companies make everything from textiles to appliances to cars. He's

interested in doing business in Central Asia, but also in the U.S. and Europe.

The Turkish government is pushing to privatize state run industries and encourage capital investment, including foreign investment. Competition will likely increase in Koc's protected local markets. To get in shape, Koc Group has hired the London based consulting arm of Arthur Andersen to modernize its information technology.

Vehbi Koc, now 91, reportedly walks 3 miles a day. Son Rahmi, 60, is chairman.

Sabanci brothers

Net worth: at least $1.2 billion

Led by eldest brother Sakip Sabanci, 59, the five brothers run Haci Omer Sabanci Holding A.S. Started in 1925 by their father, it is Turkey's second largest conglomerate (after Koc Group, *see above*), and is into everything from textiles to cars to banking. Like the Eczacibasis and Kocs, the Sabancis want to expand into Central Asia. But Sakip has a more pressing problem: The third generation of Sabancis has around 20 members who want to run the group. So Sakip has set up an internal competition to see which family members have the most commercial talent.

Several of the Sabancis' operating companies are publicly traded, but Sakip Sabanci warns that the Istanbul market is too erratic. "Except to support the shares of my companies, I don't invest in Turkish stocks."

Lebanon

By R. Lee Sullivan

Safra brothers

Net worth: $1.1 billion

Edmond Safra, 60, values his reputation and dislikes American Express. Passionately. Two years ago Safra forced a humiliating apology (and an $8 million cash settlement) from American Express for libeling him.

Edmond Safra

Note to James Robinson: His name means everything.

Safra's principal assets are his 29% stake in Republic National Bank of New York (assets, $29 billion) and his direct 21% ownership of Geneva's Safra Republic Holdings. (Republic owns another 49%.) Younger brothers Joseph, 53, and Moise, 58, own First International Bank of Israel and São Paulo's Banco Safra. The brothers are now trying to get a cellular telephone concession in Brazil, in partnership with Atlanta based Bell South Corp.

Rafik B. Hariri

Net worth: over $2.5 billion

Now 48, Hariri built Paris based Oger International, an engineering and consulting group. He also owns construction company Saudi Oger in Riyadh. An entrepreneur with strong connections in Saudi Arabia, Hariri is also an active philanthropist in Lebanon; he is often spoken of as a possible Lebanese prime minister.

Citizen of the World

The Aga Khan IV

Net worth: well over $1 billion

The spiritual leader of 15 million Ismaili Muslims. His fortune is in the form of luxury hotels; 700 racehorses; an estate outside Paris; 7.5% of his friend Gianni Agnelli's holding company; a piece of Italy based Meridiana, which wants to become a major European airline.

And he is the sole stockholder of Geneva based Aga Khan Fund for Economic Development (reported assets, $450 million), which backs small enterprises in developing nations. "Development is ultimately about people," the Harvard-educated (class of '59) Aga Khan has explained, "about enabling them to participate fully in the process and to make informed choices and decisions on their future." Separately, the Aga Khan Foundation funds health, education and rural development projects in the Third World.

Construction magnate and philanthropist Rafik B. Hariri

Smart enough to be prime minister. But is he crazy enough?

Ranking foreign billionaire fortunes

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Mann family/Germany/*retailing*	210
Merck family/Germany/*pharmaceuticals, chemicals*	206
Mohn, Reinhard/Germany/*publishing*	208
Mulliez family/France/*hypermarkets*	190
Murata, Junichi/Japan/*fax, industrial machinery*	169
Nakajima, Kenkichi/Japan/*pachinko machines*	173
Ochoa family/Colombia/*cocaine*	156
Oetker family/Germany/*food, brewing*	203
Ohga, Tetsuo/Japan/*publishing*	172
Oppenheim family, von/Germany/*banking*	208
Otani family/Japan/*hotels*	169
Otsuka family/Japan/*pharmaceuticals*	173
Otto family/Germany/*mail order, real estate*	206
Packer, Kerry/Australia/*media, investments*	186
Pao family/Hong Kong/*shipping, property development*	176
Perez Companc family/Argentina/*constr, shipping, telecom*	152
Quandt, Johanna, Suzanne and Stefan/Germany/*autos, industry*	202
Schickedanz, Grete and family/Germany/*mail order*	203
Schmidt-Ruthenbeck/Germany/*retailing*	208
Schörghuber, Josef/Germany/*construction, real estate, beer*	210
Seydoux/Schlumberger family/France/*textiles, media, oil services*	187
Shino, Rinji/Japan/*real estate, leisure*	169
Siemens family, von/Germany/*electrical machinery*	206
Slim Helu, Carlos/Mexico/*conglomerator*	151
Swire brothers/Hong Kong/*trading, airline, real estate*	177
Takei, Yasuo and family/Japan/*moneylending*	169

Name/country/*industry*	Page
Tsai family/Taiwan/*insurance, construction*	180
Voith family/Germany/*manufacturing*	210
Watanabe, Kitaro/Japan/*real estate*	168
Weston, Garry and Galen/Canada/*foods, supermarkets*	160
Yamaguchi, Hisakichi/Japan/*cans*	172
Yoshimoto family/Japan/*real estate*	168
Zambrano, Lorenzo and Marcelo/Mexico/*cement*	151

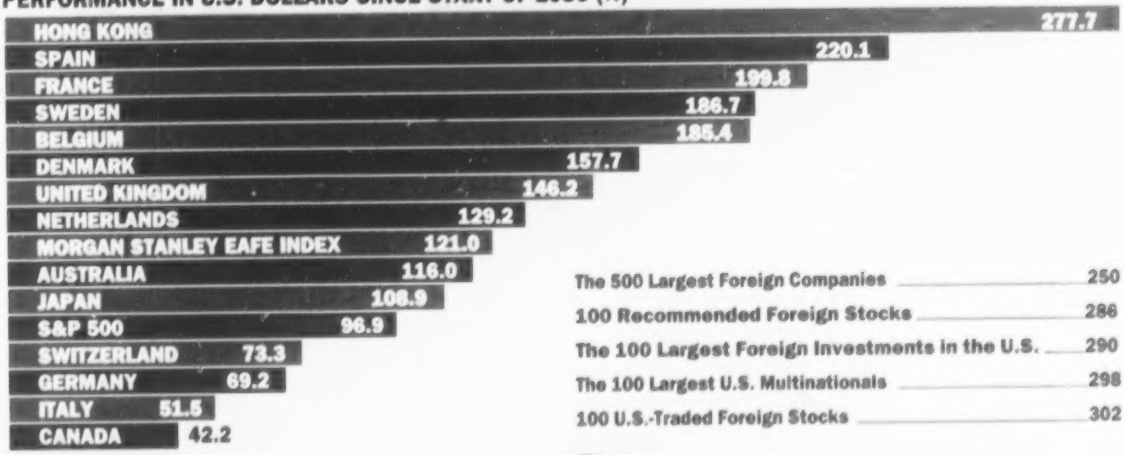
Over $1 billion

Name/country/*industry*	Page
Aga Khan IV/*religion, investments*	221
Almeida brothers/Brazil/*construction*	158
Andrade brothers/Brazil/*construction*	158
Angelini, Anacleto/Chile/*food, forestry, retailing*	152
Arango brothers/Mexico/*discount retail*	151
Bauer, Heinz/Germany/*publishing*	202
Boehringer family/Germany/*pharmaceuticals*	212
Bosch family/Germany/*auto parts, consumer products*	206
Botín family/Spain/*banking*	196
Bouriez family/France/*hypermarkets, luxury goods*	190
Branson, Richard/U.K./*airline, travel, retailing*	193
Brost family/Germany/*publishing*	212
Butsujima, Kunio/Japan/*pachinko machines*	173
Camargo, Sebastião/Brazil/*construction, manufacturing*	158
Chang Yung-fa/Taiwan/*shipping, trucking, manufacturing*	180
Chearavanont family/Thailand/*agribusiness*	184
Cheng Yu-tung/Hong Kong/*real estate, tourism*	176
Cisneros brothers/Venezuela/*consumer products, broadcasting*	156
Conle family/Germany/*charter airline*	212
Dassault family/France/*aircraft, electronics*	187
David-Weill, Michel and family/France/*investment banking*	187
Eaton family/Canada/*department stores, real estate*	160
Eczacibasi, Nejat Ferik/Turkey/*pharmaceuticals*	220
Engelhorn family/Germany/*pharmaceuticals*	212
Ermírio de Moraes family/Brazil/*mining, industry*	158
Ferruzzi family/Italy/*agro-industry, chemicals, food*	190
Freudenberg family/Germany/*chemicals, diversified products*	210
Funke family/Germany/*publishing*	212
Furukawa, Tamesaburo/Japan/*real estate*	169
Gerling, Rolf/Germany/*insurance*	210
Goulandris family/Greece/*shipping, real estate, etc*	196
Grosvenor, Gerald Cavendish/U.K./*real estate*	193
Haefner, Walter/Switzerland/*car sales, software*	198
Harp Helu, Alfredo/Mexico/*brokerage, banking*	152
Hattori family/Japan/*watches, electronics*	172
Hernandez, Roberto/Mexico/*brokerage, banking*	151
Ho, Stanley/Macau/*casinos, tourism*	177
Isono family/Japan/*importer, wholesaler, real estate*	169
Jacobs, Klaus/Switzerland/*employment firms, chocolate*	198
Jinnai, Ryoichi and family/Japan/*moneylending*	169
Juffali family/Saudi Arabia/*conglomerate*	218
Kamel, Saleh A./Saudi Arabia/*banking, trading*	109
Kinoshita family/Japan/*moneylending*	169
Kirch, Leo/Germany/*movies, TV programs*	208

Name/country/*industry*	Page
Koo family/Taiwan/*financial services, cement, chemicals*	180
Koplowitz sisters/Spain/*construction*	196
Kristiansen family/Denmark/*LEGO*	198
Kuok, Robert and family/Malaysia/*sugar, trading, real estate*	184
Latsis, John/Greece/*shipping*	196
Lee family/Singapore/*banking, rubber*	184
Lee family/Korea/*conglomerate*	181
Leibbrand, Willi/Germany/*supermarkets*	210
Liebherr, Hans/Switzerland/*construction equipment*	197
Ligresti, Salvatore/Italy/*real estate, construction, insurance*	192
Luksic family/Chile/*mining, beer, railroads*	152
March family/Spain/*construction, investments, banking*	196
Marinho, Roberto/Brazil/*media*	158
Matsushita family/Japan/*electronics*	170
Matte family/Chile/*paper, forestry, banking*	152
Maus/Nordmann family/Switzerland/*department stores*	197
Merckle, Adolf/Germany/*pharmaceuticals*	212
Moores family/U.K./*football pools, retailing*	193
Morita family/Japan/*electronics*	170
Murayama family/Japan/*publishing*	172
Niarchos, Stavros/Greece/*shipping, investments*	196
Olayan, Suliman/Saudi Arabia/*conglomerate, investments*	218
Peugeot family/France/*autos*	187
Porsche family/Germany/*autos, auto dealerships*	212
Quek/Kwek family/Malaysia/*finance, property, etc.*	184
Reimann family/Germany/*consumer products*	212
Röchling family/Germany/*coal & steel, electronics*	212
Rocca family/Argentina/*construction, steel, railroads*	152
Rogers, Edward S./Canada/*media*	158
Sabanci brothers/Turkey/*conglomerate*	221
Safra brothers/Lebanon/*banking*	221
Sagawa, Kiyoshi/Japan/*delivery service*	169
Saji, Keizo and family/Japan/*liquor*	173
Santo Domingo, Julio Mario/Colombia/*beer, financial services*	156
Schmidheiny, Stephan/Switzerland/*construction, industry*	197
Sophonpanich family/Thailand/*banking*	184
Tada family/Japan/*real estate development*	168
Takei family/Japan/*real estate*	168
Takenaka family/Japan/*construction*	172
Teramachi family/Japan/*bearings*	172
Thyssen-Bornemisza, Baron Hans Heinrich/Switzerland/*art, mfg*	197
Uehara family/Japan/*pharmaceuticals*	173
Vestey family/U.K./*meatpacking*	193
Vuitton family/France/*luxury goods*	190
Wang, Yue-Che (Y.C.)/Taiwan/*plastics*	180
Werhahn family/Germany/*construction, manufacturing*	212
Wertheimer, Alain and family/France/*perfume, designer clothes*	190
Widjaja, Eka Tjipta/Indonesia/*pulp & paper, banking*	184
Wu family/Taiwan/*textiles, insurance*	180
Wu, Gordon and family/Hong Kong/*property development*	176
Yamauchi, Hiroshi/Japan/*videogames*	172
Yoshida family/Japan/*zippers, building materials*	172
Zobel de Ayala family/Philippines/*real estate, banking*	184

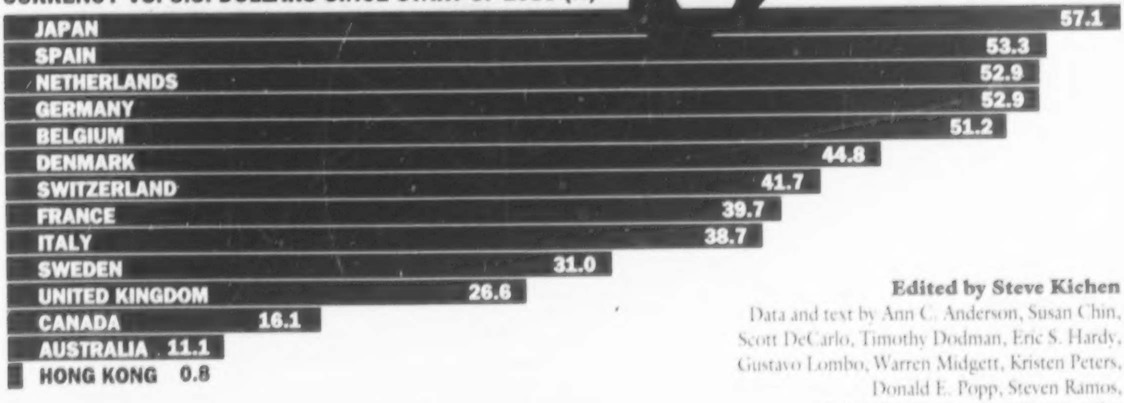
The Forbes Foreign Rankings

PERFORMANCE IN U.S. DOLLARS SINCE START OF 1986 (%)



The 500 Largest Foreign Companies 250
100 Recommended Foreign Stocks 286
The 100 Largest Foreign Investments in the U.S. 290
The 100 Largest U.S. Multinationals 298
100 U.S.-Traded Foreign Stocks 302

CURRENCY VS. U.S. DOLLARS SINCE START OF 1986 (%)



Edited by Steve Kichen
Data and text by Ann C. Anderson, Susan Chin, Scott DeCarlo, Timothy Dodman, Eric S. Hardy, Gustavo Lombo, Warren Midgett, Kristen Peters, Donald E. Popp, Steven Ramos, Robert B. Rosenstein, Gilbert Steedley

Last year was difficult for many of the Forbes International 500 companies. Next year might not be much better.

By Eric S. Hardy

JAPAN HAS MORE COMPANIES (195) among the Forbes International 500 list of the largest foreign companies than any other country. But it is the developing nations, mostly in the Far East, that are growing the fastest and putting the most new companies on the list. Despite rising wages and inflation, South Korea's economy expanded by 8% during 1991.

This year there are ten Korean companies counted amongst the International 500, up from six last year. The largest is $13 billion (total revenues) Hyundai, the trading company whose founder, Chung Ju-yung, is currently running for his country's presidency.

Another rapidly growing (though somewhat shaky) country is Thailand, with 8% gross domestic product growth last year. No Thai company is large enough yet for the International 500, however, which this year requires minimum sales of $3.4 billion.

Meanwhile, communist China is growing so fast that its economy is in danger of overheating, according to Paul Melton, editor of the *Outside Analyst*, an Amsterdam-based international investment survey. But the economy is starting from such a low base and has so far to go that it will be several years before any Chinese company makes it to these listings.

Last year was a difficult one for many of the Forbes International 500 companies, as the world economy slipped into a cyclical downturn. Following a 2% rise in world output in 1990, the global economy declined about 0.3% last year. Hardest hit were the Eastern European nations and the remnants of the former Soviet Union. Most of these countries suffered through economic declines of more than 10%.

More important, given their weight in the world, three of the seven largest countries based on gross domestic product—the U.S., Canada and the U.K.—contracted slightly last year. The other four (Japan, France, Germany and Italy) expanded, but not by much. Of the group, Japan was strongest, with a 4.5% gain in its gross domestic product—the lowest rate for Japan since 1987.

At least one indicator shows that wealth is getting a bit less concentrated. The seven largest economies produced 63% of the world's goods and services last year, down from

25 largest public foreign companies

Company/business	Country	Revenue ($mil)	Employees (thou)
C Itoh & Co/trading	Japan	154,555	7.1
Sumitomo/trading	Japan	149,530	20.7
Marubeni/trading	Japan	140,457	9.9
Mitsubishi/trading	Japan	135,882	33.5
Mitsui & Co/trading	Japan	133,632	11.7
Royal Dutch/Shell Group/energy	Netherlands	102,801	133.0
Nissho Iwai/trading	Japan	84,874	7.5
Toyota Motor/automobiles	Japan	71,911	102.4
Hitachi[3]/elec & electron	Japan	58,234	324.3
British Petroleum/energy	UK	57,682	118.1
Daimler-Benz Group/automobiles	Germany	57,251	381.5
Matsushita Electric Indl[3]/appliances	Japan	55,867	242.2
Tomen/trading	Japan	52,788[1]	3.3[2]
Nissan Motor/automobiles	Japan	48,128	143.9
Nippon Tel & Tel/telecomm	Japan	47,994	264.9
Credit Lyonnais Group/banking	France	46,822	70.6
Fiat Group/automobiles	Italy	46,612	288.0
Nichimen/trading	Japan	46,588[1]	2.9[2]
Kanematsu/trading	Japan	46,087	3.8
Volkswagen Group/automobiles	Germany	45,986	260.1
Siemens Group/elec & electron	Germany	44,857	402.0
Unilever/food, household	Netherlands	40,863	292.0
Elf Aquitaine Group/energy	France	35,625	94.0
Toshiba/elec & electron	Japan	35,395	170.0
Nestle/food, household	Switzerland	35,216	200.1

[1] Figures are latest available. [2] Not fully consolidated. [3] U.S. GAAP.

25 largest nonpublic foreign companies

Company/business	Country	Revenue ($mil)	Employees (thou)
Chinese Petroleum/energy	China	50,103	22.1
Samsung Group/multi-industry	Korea	43,896	183.4
ENI-Ente Naz Idrocarburi/energy	Italy	41,014	130.0
Electricite de France/utilities	France	34,721	120.0
Sumitomo Life Insurance/insurance	Japan	32,170[1]	10.0
Renault Group/automobiles	France	29,404	147.2
Tengelmann Group/retailing	Germany	29,370	191.3
Meiji Mutual Life Ins/insurance	Japan	25,846[1]	8.4
Daewoo Group/multi-industry	Korea	25,475	81.6
Petroleos de Venezuela/energy	Venezuela	22,300	54.9
France Telecom/telecomm	France	20,382	156.1
Robert Bosch Group/automobiles	Germany	20,247	181.5
INI Group/multi-industry	Spain	19,325	142.3
Pemex-Petroleos Mexicanos/energy	Mexico	19,142	154.3
Groupe Usinor Sacilor/metals-steel	France	17,210	85.0
Idemitsu Kosan[2]/energy	Japan	14,631[1]	5.2
Neste Group/energy	Finland	13,112	13.4
Statoil Group/energy	Norway	12,077	13.9
Bank of China/banking	China	10,583	101.8
Franz Haniel & Cie/trading	Germany	10,341	32.5
Air France Group/airlines	France	10,209	55.0
Koc Group/multi-industry	Turkey	9,707	38.6
Bertelsmann/media	Germany	9,120	45.1
Krupp Group/metals-steel	Germany	9,119	53.1
Vendex Intl Group/retailing	Netherlands	8,796	87.1

The Foreign Super Fifty

Rank	Company	Business	Country	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($mil)	Employees (thou)
1	**Royal Dutch/Shell Group**	energy	Netherlands	102,801	4,247	105,582	77,898[4]	133.0
2	**Sumitomo Bank Ltd**	banking	Japan	32,535	877	407,907[1]	37,156	16.7[2]
3	**Nippon Telegraph & Telephone**	telecomm	Japan	47,994	1,432	86,070	77,603	264.9
4	**Toyota Motor Corp**	automobiles	Japan	71,911	3,145	65,178	44,018	102.4
5	**Sanwa Bank Ltd**	banking	Japan	32,277	802	401,465[1]	30,438	14.2[2]
6	**Fuji Bank Ltd**	banking	Japan	30,843	693	418,956	34,025	15.8[2]
7	**Dai-Ichi Kangyo Bank**	banking	Japan	31,773	626	426,858[1]	34,712	18.7[2]
8	**Matsushita Electric Industrial[3]**	appliances	Japan	55,867	996	67,716	22,648	242.2
9	**Deutsche Bank Group**	banking	Germany	25,121	834	295,458	20,172	71.4
9	**Hitachi Ltd[3]**	elec & electron	Japan	58,234	957	66,501	20,661	324.3
9	**Sakura Bank**	banking	Japan	30,430	606	420,348	29,076	22.4
12	**Daimler-Benz Group**	automobiles	Germany	57,251	1,128	49,941	23,514	381.5
13	**Mitsubishi Bank Ltd[3]**	banking	Japan	28,271	559	379,329[1]	39,879	15.1[2]
14	**Siemens Group**	elec & electron	Germany	44,857	1,135	41,765	23,152	402.0
15	**British Petroleum Co**	energy	UK	57,682	725	59,469	26,987	118.1
16	**Elf Aquitaine Group**	energy	France	35,625	1,737	42,318[1]	18,896	94.0
17	**Tokyo Electric Power Co[2]**	utilities	Japan	34,495	565	78,638[1]	29,276	40.7
18	**Unilever**	food, household	Netherlands	40,863	2,027	25,409	29,851[5]	292.0
19	**British Telecommunications[3]**	telecomm	UK	23,135	3,258	35,500	40,501	219.0
20	**Nestle**	food, household	Switzerland	35,216	1,722	28,860	24,686	200.1
21	**Industrial Bank of Japan**	banking	Japan	24,197	440	302,418	34,079	5.2[2]
22	**Alcatel Alsthom**	elec & electron	France	28,358	1,095	44,614	14,782	205.5
22	**Nissan Motor Co Ltd**	automobiles	Japan	48,128	760	53,097	12,437	143.9
24	**Fiat Group**	automobiles	Italy	46,612	898	69,128	9,356	288.0
25	**Union Bank of Switzerland**	banking	Switzerland	14,498	848	183,911	12,298	27.7
26	**Suez Group**	banking	France	33,208	680	154,929	8,671	79.0
27	**British Gas Plc[3]**	utilities	UK	18,552	2,167	34,860	20,522	84.5
28	**Allianz AG Holding**	insurance	Germany	24,242[1]	416[1]	98,757[1]	27,500	44.3
29	**Sony Corp**	appliances	Japan	28,646	900	36,869	12,626	119.0
30	**Mitsubishi Corp**	trading	Japan	135,882	395	77,044	12,498	33.5
31	**B. A. T Industries**	bev & tobacco	UK	15,286	729	51,762	21,917	105.9
32	**Long-Term Credit Bank of Japan**	banking	Japan	16,589	472	214,234[1]	14,622	3.7[2]
33	**Tokai Bank Ltd**	banking	Japan	18,105	383	248,986[1]	14,605	12.1[2]
34	**Bayer Group Worldwide**	chemicals	Germany	25,550	1,099	25,013	11,869	166.3
34	**Internationale Nederlanden Group**	insurance	Netherlands	24,657	842	174,132	6,709	48.7
36	**Societe Generale Group**	banking	France	26,542	597	234,748	7,556	45.8
37	**BCE Inc**	telecomm	Canada	17,355	1,160	39,547	11,364	124.0
38	**Bank of Tokyo Ltd**	banking	Japan	19,914	303	222,504[1]	17,339	17.5
39	**VEBA Group**	utilities	Germany	34,468	665	31,807	11,525	114.5
40	**Imperial Chemical Industries**	chemicals	UK	22,096	959	20,606	17,499	128.6
41	**UAP-Union des Assurances de Paris**	insurance	France	18,665	667	107,817	8,349	40.5
42	**Mitsubishi Heavy Industries**	machinery & eng	Japan	20,922	793	25,702[1]	15,604	58.3
42	**Volkswagen Group**	automobiles	Germany	45,986	665	46,240	8,240	260.1
44	**Lloyds Bank Group**	banking	UK	15,337	632	95,978	10,025	67.9
45	**STET-Soc Finanziaria Telefonica**	telecomm	Italy	18,510	809	90,315	7,345	129.5
46	**Nippon Steel Corp**	metals-steel	Japan	22,714[1]	644[1]	31,270[1]	16,354	54.1[2]
47	**Kansai Electric Power[2]**	utilities	Japan	17,548	547	41,163[1]	18,521	24.8
48	**Banco Central Hispanoamericano**	banking	Spain	24,890	737	95,817	6,089	38.2
49	**Total Group**	energy	France	25,345	1,030	22,017	9,184	46.0
50	**Grand Metropolitan**	multi-industry	UK	14,513	1,192	16,100	19,354	105.0

[1] Figures are latest available. [2] Not fully consolidated. [3] U.S. GAAP. [4] Combined market value for Royal Dutch Petroleum and Shell Transport & Trading. [5] Combined market value for Unilever NV and Unilever Plc.

Large subsidiaries of foreign companies

Company/business	**Parent company**	**Country**	**Percent owned**	**Revenue ($mil)**	**Market value ($)**	**EPS ($)**	**P/E**	**Yield ($)**
SIP/telecomm	STET	Italy	59	15,680	6,296	0.07	16.7	5.0
Showa Shell Sekiyu/energy	Royal Dutch/Shell Group	Japan	50	12,323	3,286	0.72	15.8	0.6
■**AEG**/elec & electron	Daimler-Benz Group	Germany	80	8,436	2,413	NA	NA	1.9
Northern Telecom/elec & electron	BCE	Canada	53	8,183	9,641	2.03	18.8	0.8
■**Eridania**/food, household	Ferruzzi/Montedison Group	Italy	53	8,138	1,391	0.55	10.8	3.4
Loblaw Cos/retailing	George Weston	Canada	71	7,448	1,144	1.02	15.2	1.4
Poliet/bldg materials	Paribas Group	France	81	6,328	2,690	6.55	16.0	2.5
■**Victor Co of Japan**/appliances	Matsushita Electric Indl	Japan	52	6,292	1,947	0.06	124.9	1.0
Hitachi Sales/retailing	Hitachi	Japan	59	5,818[1]	690	0.23	17.6	1.6
Nissei Sangyo/trading	Hitachi	Japan	57	4,794[1]	866	0.52	17.6	1.0
Shell Canada/energy	Royal Dutch/Shell Group	Canada	78	4,178	4,019	0.10	91.8	2.1
Spie Batignolles/construction	Schneider	France	60	4,030	323	-33.50	-1.8	0.0
Canon Sales/services	Canon	Japan	50	3,920	1,535	1.28	13.7	0.5
Hochtief/construction	RWE Group	Germany	56	3,878	4,037	11.15	NM	1.4
Hitachi Chemical/chemicals	Hitachi	Japan	56	3,716[1]	1,080	0.22	21.6	1.0
Merlin Gerin/elec & electron	Schneider	France	61	3,649	2,440	5.41	19.8	2.6
Matsushita Communication/elec & electron	Matsushita Electric Indl	Japan	56	3,610[1]	3,116	0.52	28.7	0.5
Sanofi/personal care	Elf Aquitaine Group	France	62	3,475	3,792	9.18	21.4	3.1
■**Hitachi Metals**/metals-steel	Hitachi	Japan	53	3,405[1]	2,137	0.30	18.4	1.4

■Non-sponsored ADR. [1]Figures are latest available. NA: Not available. NM: Not meaningful.

66% in 1990.

Will next year be better? Perhaps, but not much. Powerhouses Japan and Germany are having problems. A recovery is under way in the U.S., but it's not very robust; some economists are even beginning to worry that the economy may turn down again—for a third time—after the presidential elections.

The largest foreign company for the second consecutive year is Japan's C. Itoh & Co., with $155 billion in sales. Remember, however, that trading companies' revenues represent the total value of all the goods they sell. These goods are produced by other companies, so in effect there's a lot of double counting in trading companies' figures. Thus the largest U.S.-based corporation, General Motors, has revenues of $123 billion, but employs some 756,000 people—more than a hundred times C. Itoh's payroll of 7,100.

A few technical notes: Sales and net income figures for all companies in our tables are converted to U.S. dollars using the local currency's average exchange rate during the company's fiscal year. Assets are converted at the exchange rate prevailing at the end of the fiscal year. Market values, stock prices and 1992 earnings estimates are converted using exchange rates in effect on May 29, 1992. For this report, any fiscal year ending after May 1991 is designated as fiscal 1991, even if it ended in the months of January through May of calendar 1992. For companies that have yet to fully report 1991 results, we show the prior year's results for all items except earnings per share. If a fiscal 1991 IBES earnings estimate was available, we listed it in the table and marked it with an "E."

To illustrate: Marubeni and Mitsubishi Oil are both Japanese companies with fiscal years ending in March. But Mitsubishi Oil's March 1992 results have not been released. Thus, the 27 cents earnings per share listed for Mitsubishi Oil's 1991 fiscal year is in fact an estimate, and marked "E," while the 6 cents a share in earnings for Marubeni is the actual amount reported for the fiscal year ending last March.

This report on international business reflects the contributions of many organizations and individuals. FORBES' statisticians gathered data by questionnaires and from corporate reports. Morgan Stanley Capital International Perspective, based in Geneva, also provided basic raw data. Earnings estimates come from the New York-based Institutional Brokers Estimate System. IBES tabulates estimates from 2,700 analysts on over 5,400 foreign companies. We used Randall-Helms DataScreen II software to access both the Morgan Stanley and IBES databases.

All of the Forbes International 500 companies (starting on page 250) are publicly owned and are ranked by gross revenues. The Foreign Super Fifty (page 243) is a composite assessment of the 50 most powerful investor-owned corporations outside the U.S. based on four measures—sales, profits, assets and market value. Above is a list of some of the largest foreign subsidiaries of international companies. On page 286 we list 100 recommended foreign stocks that have long-term investment potential. The list of the 100 largest U.S. multinational corporations starts on page 298, and our report on 100 of the best-known U.S.-traded foreign stocks begins on page 302. ■

AUSTRALIA

P/E 24 • Yield 4% • Market value $148 billion • Year-to-date price change 3%

Australia has been hard hit by falling commodity prices and the slowdown in Japan and the U.S., which together buy about 40% of its exports. Australia's positive trade balance is narrowing and unemployment, at 10%, is high by historical standards. Economic growth has almost stalled.

The stock market, though up 32% (in U.S. dollars) from its low at the start of 1991, is up by just 11% the past 12 months. But lower interest rates and modest inflation, 1.5% annual rate, have resulted in a bond market rally. Today 10-year government bonds yield about 9%, down from 13% in 1990, while 13-week T bills have come down from 14% in 1990 to 6.6%.

1991 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
128	•**Broken Hill Proprietary**/energy	12,282	946	17,276	17,122	10.93	0.54E	0.61	2.8	51.0
136	•**Coles Myer**/retailing	11,704	288	4,296	5,176	9.50	0.53	0.52	3.0	150.9
170	•**Westpac Banking Group**[3]/banking	9,673	-41	83,508	3,490	2.65	-0.05	0.13	7.0	42.4
173	•**ANZ Banking**/banking	9,537	207	66,185	3,988	3.22	0.20	0.23	4.7	46.0
187	•**Natl Australia Bank**[3]/banking	9,175	559	72,710	7,516	6.06	0.53	0.53	5.6	39.9
202	•**News Corp**[3]/media	8,616	-276	14,486	5,833	16.67	-0.86	0.97	0.5	31.0
207	**Commonwealth Bank Group**/banking	8,361	694	59,349	4,824	5.82	NA	0.44	0.0	50.7
345	•**Foster's Brewing Group**/trading	5,362	170	6,991	3,411	1.51	0.08	0.11	1.5	23.2
414	•**Pioneer International**/bldg materials	4,219	129	3,637	2,153	2.54	0.16	0.15	4.5	10.5
454	•**Pacific Dunlop**/multi-industry	3,866	188	3,567	3,723	4.13	0.25	0.21	3.9	41.0
455	•**CRA**/metals-nonfer	3,857	273	6,166	6,587	11.15	0.46	0.55	2.3	18.9
464	•**TNT**/trucking, RR	3,796	-49	3,364	826	1.46	-0.09	-0.02	1.9	52.0
480	•**CSR Group**/multi-industry	3,582[1]	254[1]	4,822[1]	2,781	3.42	0.16E	0.21	5.8	20.0

BELGIUM

P/E 13 • Yield 5% • Market value $72 billion • Year-to-date price change 1%

Belgians enjoy an investor-friendly government. There are no capital gains taxes, and loosened regulation of brokerage houses has increased competition. Mutual funds (called Sicavs in Belgium) can now receive withholding tax rebates, enhancing dividends.

Germany's slowdown will hamper Belgian exports this year. Jacky Goossens, a financial analyst at Banque Degroof in Brussels, thinks exports will be flat in 1992 after rising 2% in 1991. In addition, the Belgian market is not keeping pace with the rest of Europe. The Morgan Stanley Capital International Perspective index of Belgian stocks gained 9% (in U.S. dollars) during the 12 months through May, against an 11% increase in Morgan Stanley's European stock index.

1991 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
124	•**Petrofina**/energy	12,597	463	11,545	7,558	325.07	19.88	23.13	5.2	17.5
190	**Delhaize "Le Lion" Group**/retailing	9,078	127	2,873	2,790	272.15	12.48	15.24	1.3	69.5
214	**Generale Bank Group**/banking	8,242	281	87,144	7,747	190.81	19.53	22.35	6.3	14.9P
243	**Bank Bruxelles Lambert**/banking	7,561	135	66,514	1,854	104.93	8.32	9.59	5.4	15.9
247	**Solvay Group**/chemicals	7,462	287	5,864	3,282	396.13	34.61	36.50	5.1	45.6
286	**GIB Group**/retailing	6,337	98	2,302	1,437	43.24	3.12	3.48	2.9	18.3P
303	**Kredietbank**/banking	5,971	214	63,334	2,128	150.89	13.32	16.27	4.9	11.5
315	**Arbed**/metals-steel	5,804	127	8,397	889	125.95	5.18E	5.96	4.8	52.9
329	**Electrabel**/utilities	5,564	656	13,419	7,069	138.34	12.83	13.70	8.1	18.3
362	**Cockerill Sambre**/metals-steel	5,095	105	6,064	1,657	5.20	0.33	0.39	7.0	29.0

• Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. E: Estimate. NA: Not available. P: Preliminary.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

P/E 49 • Yield 3% • Market value $230 billion • Year-to-date price change –7%

Canada lacks a big service economy, but its vast supply of natural resources is reflected in the fact that half the 1,126 stocks listed on the Toronto exchange are cyclicals. And major electric utilities are owned by the provincial governments.

The Canadian/U.S. free trade relationship is still the world's biggest, but is it fraying? Ontario, the most populous of the ten provinces, has an antibusiness, socialist government. This may have prompted Varity Corp., once a symbol of Canadian manufacturing, to move its headquarters from Toronto to Buffalo last year.

Gerald Gorski, managing editor of *The Institutional Strategist*, warns Americans that the U.S. dollar will probably strengthen relative to the Canadian dollar, thus lowering returns to U.S. investors.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
84	**BCE**/telecomm	17,355	1,160	39,547	11,364	36.58	3.50	3.58	5.9	124.0
129	**Royal Bank of Canada**/banking	12,138	855	111,445	5,990	19.33	2.54	2.28	5.0	50.5
144	**Canadian Imperial Bank**/banking	11,231	706	100,916	4,090	22.14	3.42	2.98	5.0	34.6
177	**George Weston**/retailing	9,400	80	3,313	1,462	31.39	1.58	1.46	1.9	64.2
196	**Canadian Pacific**/multi-industry	8,789	–798	17,818	4,737	14.87	–2.50	0.37	1.8	78.2
200	**Bank of Montreal**/banking	8,690	518	87,919	4,460	36.90	4.03	3.97	4.8	32.1
219	**Bank of Nova Scotia**/banking	8,103	551	74,214	3,470	17.15	2.44	2.27	5.0	29.6
236	**Alcan Aluminium**/metals-nonfer	7,748	–36	10,816	4,809	21.52	–0.30	0.20	2.8	54.0
248	**Noranda**/metals-nonfer	7,384	–116	12,619	2,743	14.66	–0.91	0.05	5.7	51.0
252	**Imperial Oil**/energy	7,271	141	11,717	7,233	37.32	0.73	1.10	4.0	11.9
259	**Imasco**/bev & tobacco	6,946	290	4,649	3,632	30.46	2.23	2.54	3.7	77.5
289	**Toronto-Dominion Bank**/banking	6,275	433	61,364	4,099	13.62	1.31	1.26	4.6	24.0
310	**Univa**/retailing	5,848	50	1,285	566	6.55	0.58	0.51	3.6	14.8
328	**Thomson Corp**/media	5,589	320	8,166	6,978	12.47	0.64	0.63	3.6	44.8
350	**Seagram**/bev & tobacco	5,278	727	11,876	11,094	29.10	7.67	8.78	1.9	16.8
366	**Great-West Lifeco**/insurance	4,956	101	19,658	967	12.26	1.28	1.33	3.4	6.5[2]
400	**Hudson's Bay**/retailing	4,392	72	2,787	1,245	24.94	1.41	1.77	2.7	37.0
418	**Petro-Canada**/energy	4,195	–522	5,222	1,611	7.48	NA	0.17	1.4	9.7
430	**John Labatt**/bev & tobacco	4,106	94	2,725	1,726	22.03	1.43E	1.62	3.0	16.7
436	**Oshawa Group**/retailing	4,027	31	857	519	14.45	0.84	1.04	2.7	16.5
443	**Royal Trustco**/banking	3,981	93	32,537	904	5.93	0.22	0.39	10.4	9.2
473	**National Bank of Canada**/banking	3,628	162	32,467	937	7.38	1.04	0.91	9.0	13.9
481	**Sears Canada**/retailing	3,569	–25	2,317	614	7.28	–0.30	0.12	2.7	44.6

P/E 16 • Yield 3% • Market value $384 billion • Year-to-date price change 12%

During 1991 French corporations spent $8.9 billion—more than any other country—acquiring U.S. assets, reports Securities Data Co., a New Jersey-based research firm. Schneider S.A. purchased Square D for $2.2 billion. Axa Midi Assurances, a French insurance firm, injected $1 billion into Equitable Life as part of the latter company's conversion from mutual to stock ownership. Although the French stock market gained an impressive 12% (in U.S. dollars) in the first five months of 1992, it was recently shaken by the possibility that 1992 earnings won't be as high as originally anticipated. Paul Meyer, of Société Générale Securities in New York, thinks that an economic recovery has begun, but he is not optimistic about the outlook for French stocks over the next few months.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
16	**Credit Lyonnais Group**/banking	46,822	560	306,335	4,115	109.03	15.95	18.61	5.9	70.6
23	•**Elf Aquitaine Group**/energy	35,625	1,737	42,318[1]	18,896	74.54	6.85	6.89	4.9	94.0
28	•**Suez Group**/banking	33,208	680	154,929	8,671	60.91	4.79	6.26	3.7	79.0

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THE 500 LARGEST FOREIGN COMPANIES

France

P/E 16 • Yield 3% • Market value $384 billion • Year-to-date price change 12%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
42	•**Alcatel Alsthom**/elec & electron	28,358	1,095	44,614	14,782	121.45	9.18	10.22	3.1	205.5
42	■**Peugeot Groupe**/automobiles	28,358	975	23,535	7,394	147.97	19.67	23.89	2.4	159.1
45	**BNP Group**/banking	28,285	520	275,876	5,201	73.52	7.36	8.55	4.0	58.7
49	**Societe Generale Group**/banking	26,542	597	234,748	7,556	101.06	7.99	9.76	4.1	45.8
52	•**Total Group**/energy	25,345	1,030	22,017	9,184	49.69	5.57	5.11	3.9	46.0
59	**Generale des Eaux Groupe**/services	23,927	463	27,699¹	9,945	443.91	20.74	25.07	2.6	173.1
69	**GAN-Assur Nationales**/insurance	20,506	411	120,637	3,851	347.67	37.15	43.58	2.7	49.1
72	**Paribas Group**/banking	19,848	-33	159,728	6,653	76.28	-0.41	5.97	4.4	26.8
75	**UAP-Union des Assurances**/insurance	18,665	667	107,817	8,349	99.39	7.95	9.57	3.1	40.5
80	**Carrefour Group**/retailing	17,724	214	9,446	6,444	503.43	16.66	22.26	1.8	76.2
89	**Lyonnaise des Eaux-Dumez**/services	15,506	207	22,500	4,957	104.40	4.36	6.01	2.7	122.9
97	•**Rhone-Poulenc Group**/chemicals	14,856	217	21,871	6,574	115.52	3.82	6.90	3.7	89.1
109	**Promodes Group**/retailing	13,535	80	5,502	2,370	702.58	24.28	31.21	1.2	36.6
110	**Saint-Gobain**/misc materials	13,311	445	18,303	7,518	110.70	6.55	8.27	3.6	104.8
114	**Pechiney**/metals-nonfer	13,187	145	13,828	3,397	67.22	2.88	3.96	5.4	69.4
130	**Michelin Group**/industrial comp	11,990	-124	14,349	4,284	40.05	-1.15	2.61	0.0	132.8
135	•**BSN-Groupe**/food, household	11,710	611	13,550	11,961	209.16	10.46	12.39	1.9	59.2
137	**Bouygues Group**/construction	11,405	113	12,029	2,088	116.08	6.72	8.32	3.6	69.6
148	**AGF-Assur Generales**/insurance	11,007	477	60,462	5,200	93.45	8.57	9.57	2.7	22.0
154	■**Schneider**/machinery & eng	10,461	49	12,805	2,204	144.08	3.19	7.96	2.5	85.0
244	**Casino Groupe**/retailing	7,518	94	3,764	1,615	32.45	1.89	1.83	4.3	37.3
264	**Credit Commercial**/banking	6,871	162	56,457	1,959	35.79	3.02	3.38	3.0	10.9
277	**Credit Foncier**/banking	6,483	92	65,135	1,746	177.08	9.36	19.82	5.9	3.4²
279	**Pinault**/bldg materials	6,434	89	5,200¹	1,455	67.68	4.15	4.99	4.0	65.0
291	•**Thomson CSF**/aero & defense	6,235	416	14,097	3,402	30.60	3.74	4.09	6.2	46.9
307	■**Groupe Bull**/data processing	5,929	-588	4,888	889	6.58	-2.84E	-1.48	0.0	39.9
308	■**L'Oreal Group**/personal care	5,928	382	5,631	9,927	170.59	6.57	7.31	1.4	29.9
326	■**L'Aire Liquide Group**/chemicals	5,640	378	7,488	7,724	148.53	7.27	8.41	2.6	27.5
327	**Lafarge Coppee**/bldg materials	5,609	219	9,257	3,775	69.57	4.03	5.13	3.6	34.7
336	**Groupe Printemps**/retailing	5,506	329	3,921	1,040	151.12	47.85	11.74	3.1	30.0
344	**Hachette Group**/media	5,390	-342	5,159¹	511	25.98	-17.40	1.04	0.0	31.0
353	**Docks de France**/retailing	5,210	58	1,948	951	79.64	4.94	5.59	2.9	23.7
370	**OCP-Office Commercial**/chemicals	4,887	11	955	206	93.64	4.53	5.92	4.4	6.0
375	**GTM-Entrepose**/construction	4,767	41	6,116	674	77.88	4.79	6.23	2.5	37.5
383	•**Groupe Havas**/services	4,696	178	3,571	3,910	100.50	4.62	5.05	1.9	12.2
392	**CMB Packaging**/misc materials	4,520	151	5,164	2,749	34.03	1.87	2.31	3.0	32.8
438	**Matra**/aero & defense	4,023	45	6,286	872	36.34	1.86	3.03	4.2	21.2
444	**Accor**/leisure	3,976	136	5,279¹	3,222	147.78	6.27	7.22	3.0	42.0
450	•**LVMH Group**/bev & tobacco	3,906	662	9,998	11,742	745.41	42.71	52.59	2.5	14.7
470	**Comptoirs Modernes**/retailing	3,738	54	1,513	999	240.50	13.40	14.60	2.0	15.7
485	■**Valeo**/industrial comp	3,522	97	3,326	1,720	138.14	7.76	10.61	1.2	27.0

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Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

P/E 17 • Yield 3% • Market value $389 billion • Year-to-date price change 6%

After losing 11% in 1990 (in U.S. dollars), the German stock market is turning around. The Morgan Stanley Capital International Perspective index of German stocks posted a 6% gain in 1991, and through May of this year is up another 6%. But economic problems loom. At the end of May, unemployment reached 14.7% in former East Germany and 5.8% in former West Germany. In fiscal 1991 the German government's budget deficit rose to DM110 billion ($72.6 billion), or about 4% of the country's GDP. Income and gasoline taxes in most regions have risen dramatically. And Germany's notoriously powerful labor unions are using demonstrations and strikes to win above-inflation wage increases. An incentive-based plan to privatize state-owned enterprises in the formerly communist eastern states offers tax cuts of up to 50%, including accelerated depreciation schedules. As of mid-June more than 7,000 of the 11,660 companies put on the block have been sold.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
11	■**Daimler-Benz Group**/automobiles	57,251	1,128	49,941	23,514	504.20	33.38	37.01	2.5	381.5
20	●**Volkswagen Group**/automobiles	45,986	665	46,240	8,240	255.37	20.01	20.34	4.2	260.1
21	■**Siemens Group**/elec & electron	44,857	1,135	41,765	23,152	434.90	21.51	27.68	2.9	402.0
27	**VEBA Group**/utilities	34,468	665	31,807	11,525	255.37	17.47	18.41	4.6	114.5
33	■**RWE Group**/utilities	31,379	543	28,962	10,840	257.17	12.06	16.05	4.2	102.2
41	■**Hoechst Group**/chemicals	28,433	661	23,560	9,527	164.11	11.37	12.44	7.1	179.3
47	■**BASF Group**/chemicals	28,096	626	24,716	8,840	155.09	10.98	11.76	7.5	129.4
51	■**Bayer Group**/chemicals	25,550	1,099	25,013	11,869	184.01	17.04	17.61	6.9	166.3
53	■**Deutsche Bank Group**/banking	25,121	834	295,458	20,172	439.63	18.17	40.62	3.3	71.4
57	**Allianz Worldwide**/insurance	24,242[1]	416[1]	98,757[1]	27,500	1,410.26	18.73E	27.25	0.9	44.3
63	■**Thyssen Group**/metals-steel	22,464	294	14,322	4,709	149.92	9.39	10.45	6.5	148.6
79	**BMW-Bayerische Motor**/automobiles	17,980	472	16,755	6,834	381.34	26.31	36.39	3.2	68.3
88	**Preussag Group**/multi-industry	15,646	307	8,185	3,836	260.16	20.81	19.78	3.7	68.6
91	●**Dresdner Bank**/banking	15,316	381	191,420	7,723	215.05	15.17	17.67	5.4	44.6
99	■**Mannesmann Group**/machinery & eng	14,652	237	12,974	6,001	188.18	8.44	9.27	4.7	125.2
104	**VIAG Group**/multi-industry	14,299	244	12,461	4,466	251.51	10.80	18.79	3.5	74.1
119	**Metallgesellschaft**/multi-industry	13,013	28	7,948	2,462	278.69	3.19	8.59	3.5	35.8
131	**M A N Group**/machinery & eng	11,970	240	10,033	3,599	249.58	15.58	19.10	4.7	64.2
133	●**Commerzbank**/banking	11,765	327	149,151	4,164	161.24	10.54	16.86	6.0	29.5
151	■**Bayer Vereinsbank**/banking	10,861	178	149,495	4,929	257.23	10.12	20.03	4.9	20.5
156	■**Karstadt Group**/retailing	10,320	155	4,036[1]	3,276	390.05	21.96	23.14	3.0	78.9
169	■**Deutsche Lufthansa**/airlines	9,701	−257	9,732[1]	2,459	82.12	−5.97E	−0.75	0.0	50.3[2]
180	**Kaufhof**/retailing	9,338	82	4,026	2,657	311.98	14.46	15.93	3.7	58.7
184	**Munchener Ruck**/insurance	9,271	66	21,293	10,608	1,474.34	8.38	15.74	0.7	3.5
188	**Bayerische Hypotheken**/banking	9,139	212	127,376	4,735	244.75	12.27	22.89	5.2	15.3
217	**Degussa**/misc materials	8,202	60	4,294	1,676	229.55	7.37	9.83	3.0	33.5
235	**Henkel Group**/food, household	7,776	240	6,540	5,443	387.43	17.07	22.77	2.5	40.1
269	**ASKO Group**/retailing	6,719[1]	165[1]	3,837[1]	1,700	515.71	49.49E	47.96	3.2	35.4
299	■**Hoesch Group**/metals-steel	6,091	78	5,319	1,216	170.95	10.85	10.26	5.7	44.2
323	●**Continental Group**/industrial comp	5,650	78	4,386	1,511	172.01	3.04	7.03	0.0	51.4
342	**Philipp Holzmann**/construction	5,423E	30	4,751	2,061	732.82	13.86E	17.54	1.5	41.5
395	**Deutsche Babcock Group**/machinery & eng	4,501	17	2,155	696	100.03	3.38	3.80	0.0	39.3
410	■**Klockner-Werke Group**/metals-steel	4,309	1	4,115	699	76.27	0.10	1.12	0.0	31.2
421	**Linde**/machinery & eng	4,165	147	3,904	3,682	538.73	25.61	28.74	2.7	27.7
432	**VEW-Vereinigte Elekt**/utilities	4,054	90	6,729	2,671	133.56	7.11E	7.47	4.7	8.0
458	**Schering Group**/personal care	3,832	165	4,490	3,399	497.36	24.18	29.05	2.5	26.3
478	**AGIV**/multi-industry	3,600[1]	64[1]	3,066[1]	1,353	451.01	24.45E	26.44	2.4	33.9

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Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

P/E 19 • Yield 3% • Market value $150 billion • Year-to-date price change –3%

Italy's accumulated deficit now exceeds its 1991 gross domestic product of 1.5 quadrillion lire ($1.2 trillion). Last year's budget deficit alone amounted to 11% of GDP, squeezing loanable funds for the private sector and raising interest rates. Italy now has an inverted yield curve, with ten-year government bonds yielding 13% while one-year government debt yields over 14%.

Italy's small stock market has seen its market value decline in real dollar terms since 1986. Merrill Lynch's Mike Young, director of European Investment Strategy, is bearish on Italy because of a net outflow of capital from its equity market. Young attributes this to low earnings growth and the historical underperformance of Italian equities.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
17	●**Fiat Group**/automobiles	46,612	898	69,128	9,356	4.40	0.37	0.14	4.3	288.0
77	■**STET**/telecomm	18,510	809	90,315	7,345	1.64	0.18	0.19	5.1	129.5
103	●**Ferruzzi/Montedison Group**/multi-industry	14,340	93	32,931	1,726	1.47	0.07	0.09	2.5	44.9
127	**Generali Group**/insurance	12,479[1]	390[1]	37,180[1]	17,759	24.37	0.67E	0.73	0.6	22.0E
165	**Banca Commerciale Italian**/banking	9,838	292	101,688	2,664	2.62	0.28	0.34	6.3	21.7
204	■**Pirelli Group**/industrial comp	8,419	–22	9,382	1,763	1.19	–0.50	0.01	4.9	67.1
233	**Credito Italiano**/banking	7,811	239	81,963	2,263	1.47	0.15	0.19	4.8	17.1
260	**Olivetti Group**/data processing	6,938	–371	12,427[1]	1,470	2.59	–0.61	–0.03	0.0	47.0
324	**Banco di Roma**/banking	5,649	116	69,368	1,993	1.66	0.10	0.11	2.5	14.3
381	**Alitalia Group**/airlines	4,730	–29	4,644	596	0.62	–0.03	–0.05	0.0	28.7
384	**SME**/food, household	4,686	102	2,755[1]	1,267	2.79	0.23	0.21	3.3	22.3

P/E 31 • Yield 1% • Market value $2,359 billion • Year-to-date price change –21%

One of the more optimistic forecasts for Japan is that corporate profits will decline only 9.8% this year. Nikko Securities International's Hisafumi Taima, believes that the Nikkei index, down 58% from its January 1990 high, is still in "very serious" trouble. Taima says a market recovery is unlikely until earnings pick up, maybe in the fourth quarter.

In our issue two years ago *(July 23, 1990)* Japanese stocks had an average P/E of 44. Based on May 29 prices and latest fiscal-year earnings, the P/E is still a relatively expensive 31. But if Japanese stock prices are finally coming into line with other world markets, it could create a lot of investment opportunities.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
1	■**C Itoh & Co**/trading	154,555	91	62,179	4,880	3.42	0.06	0.12	1.4	7.1
2	**Sumitomo**/trading	149,530	274	47,431	7,171	6.74	0.26	0.32	0.9	20.7
3	■**Marubeni**/trading	140,457	85	65,921	4,982	3.34	0.06	0.09	1.5	9.9
4	■**Mitsubishi**/trading	135,882	395	77,044	12,498	7.99	0.25	0.30	0.8	33.5
5	●**Mitsui & Co**/trading	133,632	202	69,766[1]	7,392	4.78	0.13	0.19	1.2	11.7
7	**Nissho Iwai**/trading	84,874	71	38,837[1]	2,794	3.56	0.09	0.10	1.1	7.5
8	■**Toyota Motor**/automobiles	71,911	3,145	65,178	44,018	11.83	0.90	0.60	1.3	102.4
9	●**Hitachi**[3]/elec & electron	58,234	957	66,501	20,661	6.31	0.28	0.30	1.4	324.3
12	●**Matsushita Electric Indl**[3]/appliances	55,867	996	67,716	22,648	10.81	0.45	0.49	0.9	242.2
13	**Tomen**/trading	52,788[1]	52[1]	18,404[1]	1,946	2.91	0.06P	0.08	1.5	3.3[2]
14	●**Nissan Motor**/automobiles	48,128	760	53,097	12,437	4.95	0.30	0.13	2.2	143.9
15	**Nippon Tel & Tel**/telecomm	47,994	1,432	86,070	77,603	497.45	9.18	8.14	0.8	264.9
18	**Nichimen**/trading	46,588[1]	61[1]	16,658[1]	1,324	3.13	0.13P	0.15	1.5	2.9[2]
19	**Kanematsu**/trading	46,087	53	12,696	1,084	3.93	0.19	0.32	1.2	3.8

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. E: Estimate. NA: Not available. P: Preliminary.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

Japan

P/E 31 ● Yield 1% ● Market value $2,359 billion ● Year-to-date price change –21%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1991 ($)	1992E ($)		
24	**Toshiba**/elec & electron	35,395	292	39,220[1]	16,013	4.99	0.09	0.12	1.6	170.0
26	**Tokyo Electric Power**[2]/utilities	34,495	565	78,638[1]	29,276	21.86	0.42	0.43	1.8	40.7
29	●**Honda Motor**/automobiles	32,921	487	20,943[1]	11,584	11.91	0.50	0.53	0.9	85.5
30	■**Sumitomo Bank**/banking	32,535	877	407,907[1]	37,156	11.83	0.28	0.38	0.6	16.7[2]
31	■**Sanwa Bank**/banking	32,277	802	401,465[1]	30,438	10.50	0.28	0.35	0.6	14.2[2]
32	■**Dai-Ichi Kangyo Bank**/banking	31,773	626	426,858[1]	34,712	11.12	0.20	0.25	0.6	18.7[2]
34	■**Fuji Bank**/banking	30,843	693	418,956	34,025	11.75	0.24	0.38	0.6	15.8[2]
36	■**Sakura Bank**/banking	30,430	606	420,348	29,076	8.77	0.18	0.21	0.8	22.4
39	●**Sony**/appliances	28,646	900	36,869	12,626	33.84	2.20	1.28	1.2	119.0
44	●**NEC**[3]/elec & electron	28,300	115	30,640	11,623	7.55	0.07	0.17	1.0	128.3
46	●**Mitsubishi Bank**[3]/banking	28,271	559	379,329[1]	39,879	13.87	0.19	0.26	0.5	15.1[2]
50	■**Fujitsu**/data processing	25,797	91	26,504[1]	9,372	5.17	0.05	0.10	1.5	145.9
54	■**Mitsubishi Electric**/elec & electron	25,047	271	23,532[1]	8,252	3.85	0.13	0.13	2.0	97.0
58	■**Indl Bank of Japan**/banking	24,197	440	302,418	34,079	14.49	0.19	0.26	0.5	5.2[2]
60	**Mitsubishi Motors**/automobiles	23,172	221	14,468[1]	4,281	5.01	0.26	0.20	1.1	26.7[2]
62	**Nippon Steel**/metals-steel	22,714[1]	644[1]	31,270[1]	16,354	2.37	0.07E	0.05	2.0	54.1[2]
65	●**Ito-Yokado**/retailing	21,857	550	11,985	14,234	34.47	1.35	1.51	0.7	32.7
66	**Mitsubishi Heavy Inds**/machinery & eng	20,922	793	25,702[1]	15,604	4.64	0.24	0.23	1.4	58.3
68	**Nippon Oil**/energy	20,767[1]	174[1]	18,915[1]	6,961	5.68	0.19E	0.18	0.8	9.5
70	**Mazda Motor**/automobiles	20,397	70	10,937[1]	3,751	3.49	0.06	0.08	1.7	29.0[2]
71	■**Bank of Tokyo**/banking	19,914	303	222,504[1]	17,339	8.62	0.15	0.20	0.8	17.5
73	■**Daiei**/retailing	18,695	76	9,326[1]	2,928	7.21	0.19	0.20	1.8	16.8[2]
78	■**Tokai Bank**/banking	18,105	383	248,986[1]	14,605	7.20	0.19	0.17	0.9	12.1[2]
81	**Kansai Electric Power**[2]/utilities	17,548	547	41,163[1]	18,521	19.12	0.56	0.53	2.1	24.8
85	**Long-Term Credit Bank**/banking	16,589	472	214,234[1]	14,622	6.11	0.20	0.20	1.0	3.7[2]
86	■**Kajima**/construction	16,498	453	18,759[1]	7,757	8.07	0.47	0.54	1.3	13.5[2]
94	■**Kyowa Saitama Bank**[2]/banking	15,096	284	226,793	13,160	5.67	0.12	0.15	1.0	15.9
96	**Toyota Tsusho**/trading	15,045[1]	58[1]	7,112[1]	1,220	4.82	0.20E	0.24	1.2	1.9[2]
102	**Chubu Electric Power**[2]/utilities	14,473	465	32,738[1]	14,685	19.90	0.63	0.75	2.0	20.2
105	**Shimizu**/construction	14,241[1]	342[1]	19,206[1]	6,609	8.38	0.40P	0.55	0.9	11.1[2]
107	●**Canon**/leisure goods	13,875	388	16,677	8,352	11.12	0.52	0.53	0.9	62.7
108	■**NKK**/metals-steel	13,739[1]	210[1]	22,752[1]	7,867	2.23	0.07E	0.04	1.8	44.1
111	**Cosmo Oil**/energy	13,250	148	9,127[1]	3,174	5.60	0.26	0.21	0.8	3.5[2]
113	■**Taisei**/construction	13,222[1]	233[1]	18,929[1]	5,796	5.69	0.29E	0.34	1.7	12.4[2]
115	**Nippon Express**/trucking, RR	13,123	194	6,874[1]	5,793	5.40	0.18	0.16	0.9	50.4
117	■**Bridgestone**/industrial comp	13,095	56	14,430	7,136	9.24	0.07	0.19	1.2	83.1
121	■**Sumitomo Metal Inds**/metals-steel	12,847[1]	383[1]	17,972[1]	7,071	2.34	0.07E	0.06	2.0	20.6[2]
125	**Kawasho**/trading	12,546[1]	45[1]	6,788[1]	443	3.68	0.37E	NA	1.3	2.3[2]
134	■**Sanyo Electric**/appliances	11,764	124	15,860	7,045	3.64	0.06	0.07	1.7	55.1
138	■**Sharp**/appliances	11,399	293	14,730[1]	10,362	9.71	0.27	0.31	0.9	36.5
141	**Sumitomo Trust & Banking**/financial svcs	11,274[1]	324[1]	113,600[1]	9,059	7.29	0.18P	0.19	0.9	7.5[2]
142	■**Isuzu Motors**/machinery & eng	11,272	–458	9,612	2,447	2.37	–0.45	–0.36	0.0	13.5
149	■**Mitsubishi Trust & Bank**/financial svcs	10,989	263	130,759[1]	9,906	7.61	0.20	0.20	0.9	7.0[2]
150	■**Nippondenso**/industrial comp	10,987	451	11,938	9,696	11.59	0.54	0.51	1.0	55.0
153	**Daiwa Bank**/banking	10,595	237	132,104	10,641	7.15	0.19	0.22	0.8	9.7[2]
155	■**Jusco**/retailing	10,406[1]	109[1]	6,812[1]	3,892	12.61	0.33P	0.41	1.2	12.1[2]
157	**Kobe Steel**/metals-steel	10,299[1]	187[1]	16,404[1]	7,397	2.61	0.07P	0.05	1.8	21.1[2]
158	**Nippon Credit Bank**/banking	10,291[1]	156[1]	127,928[1]	9,244	53.27	1.30P	1.41	0.9	2.6[2]
161	**Seiyu**/retailing	10,170	89	10,755[1]	2,121	9.48	0.40	0.50	1.3	11.0[2]
163	**Takashimaya**/retailing	10,065	49	5,489[1]	2,094	9.48	0.22	0.35	0.8	10.0[2]
166	■**Asahi Chemical Ind**/chemicals	9,824	229	9,128[1]	7,673	5.32	0.16	0.15	1.3	26.0E
168	■**Kumagai Gumi**/construction	9,732[1]	79[1]	15,766[1]	3,050	4.48	0.05E	0.07	1.6	9.1[2]
171	■**Japan Air Lines**/airlines	9,577[1]	99[1]	12,948[1]	10,550	5.93	–0.02E	–0.01	0.7	21.7[2]

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Japan

P/E 31 • Yield 1% • Market value $2,359 billion • Year-to-date price change –21%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
172	**Obayashi**/construction	9,548[1]	196[1]	14,390[1]	3,561	4.78	0.26E	0.29	1.8	11.9
174	**Nichii**/retailing	9,523	77	7,246[1]	2,798	10.18	0.28	0.34	1.5	20.0
176	**Mitsui Trust & Banking**/financial svcs	9,471	187	102,149[1]	8,110	6.77	0.16	0.17	1.0	6.9[2]
179	**Suzuki Motor**/automobiles	9,366	148	5,223[1]	2,425	5.78	0.35	0.30	1.0	13.1[2]
181	**Tohoku Electric Power**[2]/utilities	9,321	364	19,948	9,751	19.59	0.73	0.72	2.0	13.5
183	■**Kawasaki Steel**/metals-steel	9,301[1]	308[1]	14,695[1]	7,591	2.34	0.06E	0.04	2.0	18.0
185	■**Asahi Glass**/misc materials	9,265	280	11,564	9,984	8.54	0.24	0.23	0.8	9.9[2]
193	■**Yasuda Trust & Banking**/financial svcs	8,962[1]	188[1]	79,753[1]	7,406	6.71	0.14P	0.17	1.0	6.0[2]
194	■**Mitsubishi Kasei**/chemicals	8,947[1]	101[1]	11,107[1]	5,495	3.55	0.02P	0.03	1.3	9.0[2]
195	**Mitsui Fudosan**/real estate	8,897[1]	293[1]	24,418[1]	6,554	8.15	0.27P	0.31	0.9	9.3
197	**Mitsubishi Materials**/metals-nonfer	8,744	263	9,559[1]	3,998	3.53	0.23	0.12	1.6	32.0
199	■**Sumitomo Electric Inds**/industrial comp	8,699	241	8,498	5,655	7.99	0.34	0.35	1.0	33.7
203	■**Sekisui House**[2]/construction	8,584	357	9,688[1]	6,206	9.95	0.57	0.56	1.4	11.5[2]
205	■**Mitsukoshi**/retailing	8,375	-8	4,298[1]	3,248	6.75	-0.02	0.03	0.7	12.1[2]
211	■**Dai Nippon Printing**[3]/services	8,281[1]	306[1]	8,340[1]	8,451	11.28	0.40P	0.48	0.7	13.8[2]
212	**Kyushu Electric Power**[2]/utilities	8,274[1]	234[1]	22,404[1]	7,871	16.77	0.58P	0.66	2.3	14.0
213	■**Fuji Photo Film**/leisure goods	8,267	702	12,471	11,484	22.41	1.37	1.46	0.5	23.7
220	**Sumitomo Chemical**/chemicals	8,092	149	10,368	5,920	3.65	0.09	0.07	1.3	15.0
221	•**Tokio Marine & Fire Ins**/insurance	8,063	237	34,599	12,347	7.99	0.15	0.18	0.8	14.1
223	**Kawasaki Heavy Inds**/machinery & eng	7,994	104	7,897[1]	4,487	3.36	0.08	0.10	1.2	20.6
225	■**Matsushita Electric Works**/elec & electron	7,976	257	8,641	6,308	8.77	0.39	0.36	1.1	23.6
229	**Taiyo Fishery**/food, household	7,911	-42	3,277[1]	900	3.00	-0.14	0.01	0.0	12.4
230	**Ishikawajima-Harima**/machinery & eng	7,904	185	9,475[1]	4,781	3.68	0.14	0.12	1.1	16.1[2]
231	**Nippon Mining**/energy	7,896	-172	7,918[1]	3,319	3.67	-0.14	0.03	1.1	5.6[2]
232	**Mitsubishi Oil**/energy	7,871[1]	88[1]	5,841[1]	2,332	6.75	0.27E	0.25	0.7	2.2[2]
234	■**Fuji Heavy Inds**/automobiles	7,799	-162	5,740[1]	1,596	2.73	-0.28	-0.14	0.0	15.2[2]
238	•**Ricoh**/data processing	7,649	15	9,262	2,700	4.14	0.02	-0.03	1.9	46.0
245	■**Toppan Printing**/services	7,517[1]	243[1]	7,220[1]	5,830	8.62	0.37E	0.43	0.9	16.2
249	■**Toray Industries**/chemicals	7,327	208	8,155[1]	6,930	4.98	0.15	0.15	1.1	25.7
251	**Snow Brand Milk Prods**/food, household	7,290[1]	57[1]	3,781[1]	1,645	5.84	0.21E	0.24	0.9	8.0[2]
261	•**Komatsu**/machinery & eng	6,899	82	9,356[1]	5,010	5.00	0.08	0.12	1.3	24.8
262	■**Bank of Yokohama**/banking	6,877	110	98,583	8,541	7.51	0.10	0.16	0.5	6.1[2]
263	**Dainippon Ink & Chems**/chemicals	6,876	17	7,669	3,046	3.85	0.02	0.06	1.2	22.7
266	**Fuji Electric**/elec & electron	6,817	126	6,233[1]	3,283	4.62	0.18	0.17	1.4	14.5[2]
266	•**Kubota**/machinery & eng	6,817	31	7,618[1]	5,959	4.23	0.02	0.04	1.1	15.5[2]
273	**Toshoku**/trading	6,614	14	6,028	1,299	7.56	0.08	0.17	0.6	0.6[2]
274	■**All Nippon Airways**/airlines	6,562	55	9,891	11,754	8.15	0.04	0.07	0.5	17.8
275	**Daihatsu Motor**/automobiles	6,561	18	4,313	1,358	3.19	0.04	0.07	1.5	19.7
280	**Yasuda Fire & Marine Ins**[2]/insurance	6,371	108	24,879[1]	4,417	4.98	0.12	0.14	1.1	10.6
282	**Chugoku Electric Power**[2]/utilities	6,356[1]	153[1]	15,149[1]	6,070	16.69	0.60P	0.58	2.4	11.1
283	■**Fujita**/construction	6,349	129	9,418[1]	2,688	5.44	0.26	0.28	1.4	5.7[2]
290	**Toyo Trust & Banking**[2]/financial svcs	6,248	136	64,322	5,560	7.07	0.15	0.17	0.9	5.6
295	**Kinki Nippon Railway**/trucking, RR	6,108[1]	149[1]	8,376[1]	8,863	5.81	0.10E	0.11	0.7	11.8[2]
297	■**Kirin Brewery**/bev & tobacco	6,103	320	10,870	10,059	9.56	0.31	0.34	0.7	7.9[2]
298	**Daimaru**/retailing	6,094[1]	35[1]	2,782[1]	1,133	4.18	0.11E	0.10	0.9	7.6[2]
306	■**Nippon Yusen**/shipping	5,960[1]	45[1]	9,021[1]	4,571	3.95	0.05E	0.06	0.8	2.5
309	**Tonen**/energy	5,888	131	6,520	6,281	9.71	0.20	0.20	2.0	2.3[2]
312	**Hokkaido Takushoku Bank**/banking	5,828[1]	144[1]	77,149[1]	3,720	4.00	0.12P	0.15	1.4	6.3[2]
314	**UNY**/retailing	5,809	79	3,249[1]	1,750	9.24	0.42	0.47	1.5	7.5[2]
318	**Sekisui Chemical**/bldg materials	5,726[1]	232[1]	7,156[1]	3,438	6.35	0.39E	0.43	1.4	5.5[2]
318	■**Daiwa House Industry**/construction	5,726[1]	318[1]	7,458[1]	6,819	14.26	0.66E	0.75	0.9	10.4[2]
322	■**Furukawa Electric**/industrial comp	5,662	62	5,448[1]	2,354	3.59	0.10	0.09	1.3	11.0
325	**Itoman**/trading	5,641[1]	-422[1]	8,668[1]	517	2.47	0.79E	0.06	0.0	1.4[2]

• Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. E: Estimate. NA: Not available. P: Preliminary. *Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.*

Japan

P/E 31 • Yield 1% • Market value $2,359 billion • Year-to-date price change –21%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
332	**Tokyo Gas**/utilities	5,514[1]	123[1]	7,332[1]	10,082	3.59	0.05E	0.07	1.1	12.7[2]
335	**Hanwa**/retailing	5,507[1]	156[1]	21,709[1]	4,447	11.75	0.19P	0.20	0.9	1.3
338	■**Kao**/food, household	5,474	150	4,506[1]	5,059	8.46	0.25	0.31	0.9	6.7
339	**Aisin Seiki**/industrial comp	5,443[1]	89[1]	3,530[1]	1,790	6.50	0.23E	0.21	1.5	11.2[2]
346	**Toyo Seikan Kaisha**/misc materials	5,358[1]	260[1]	4,138[1]	5,136	25.46	1.26E	1.48	0.3	6.4[2]
347	**Chori**/trading	5,348[1]	7[1]	3,521[1]	290	3.37	-0.51P	0.05	0.6	1.5[2]
348	**Daikyo**[2]/real estate	5,332	55	11,965[1]	1,553	8.38	0.30	0.34	2.1	2.8[2]
349	**Takeda Chemical Inds**/personal care	5,322	254	6,830[1]	7,664	8.77	0.29	0.35	1.1	15.2
352	**Yamaha Motor**/leisure goods	5,212	69	3,952[1]	1,624	7.05	0.30	0.35	0.7	9.9
354	**Toda**[2]/construction	5,206[1]	117[1]	5,839[1]	2,028	6.94	0.41E	0.48	1.1	5.6
356	**Nippon Meat Packers**[3]/food, household	5,188[1]	82[1]	3,279[1]	2,936	14.18	0.43P	0.53	0.7	3.8[2]
359	■**Kanebo**/textile,apparel	5,109	-45	4,784[1]	1,749	3.49	-0.09	0.01	1.1	10.4[2]
360	**Oki Electric Industry**/elec & electron	5,107	-4	6,243	2,062	3.37	-0.01	-0.02	1.6	20.3
361	**Hazama**/construction	5,103[1]	70[1]	5,747[1]	1,295	4.03	0.23P	0.22	1.6	5.3[2]
363	■**Ajinomoto**/food, household	5,077	79	5,616	6,603	10.18	0.12	0.19	0.8	11.4
368	■**Oji Paper**/forest products	4,942	63	6,515	4,147	6.82	0.10	0.12	1.0	6.1[2]
372	**Ube Industries**/misc materials	4,820[1]	61[1]	6,479[1]	2,572	3.07	0.06P	0.06	1.3	7.2[2]
373	■**Nomura Securities**/financial svcs	4,792	220	43,612[1]	22,124	11.28	0.11	0.22	1.0	16.6
374	■**Hino Motors**[2]/machinery & eng	4,780	55	2,592[1]	1,716	4.79	0.15	0.10	1.2	8.2
377	■**Daiwa Securities**/financial svcs	4,750	-319	45,979[1]	9,309	6.93	-0.24	0.18	1.0	12.6[2]
378	**Showa Denko**/chemicals	4,744	13	5,860[1]	2,586	2.49	0.01	0.02	0.0	5.4[2]
379	■**Teijin**/chemicals	4,739	153	7,558	3,471	3.56	0.16	0.17	1.3	6.7[2]
389	●**Pioneer Electronic**/appliances	4,597	214	3,899	5,191	28.91	1.19	1.28	0.7	15.9
393	**Nippon Light Metal**/metals-nonfer	4,509[1]	356[1]	4,843[1]	2,778	5.41	0.19E	0.19	0.7	5.0[2]
394	**Osaka Gas**/utilities	4,502[1]	147[1]	6,974[1]	9,606	3.80	0.07P	0.09	1.0	9.1
396	■**Marui**/retailing	4,486	228	6,280	3,826	10.42	0.62	0.58	1.7	9.2[2]
397	**Matsuzakaya**/retailing	4,437	29	2,078[1]	2,069	13.22	0.19	0.18	0.5	7.4[2]
401	**Toyoda Automatic Loom**[2]/machinery & eng	4,375	113	3,044	3,159	11.20	0.40	0.41	0.9	8.8
407	■**Mitsui Marine & Fire Ins**/insurance	4,327E	84	16,915[1]	3,954	5.45	0.12	0.14	1.0	7.9
409	**Shinsho**[2]/trading	4,311[1]	6[1]	1,919[1]	271	3.45	0.07P	0.08	1.1	1.0
413	**Nagase & Co**/trading	4,243[1]	59[1]	2,474[1]	890	5.88	0.28E	0.36	1.1	1.3[2]
415	●**Nintendo**/leisure goods	4,214	653	3,883	11,764	83.04	4.61	4.70	0.6	2.2
416	**Mitsui OSK Lines**/shipping	4,197[1]	38[1]	6,337[1]	3,477	3.21	0.04E	0.05	1.0	1.6[2]
417	**Sumitomo Rubber Inds**/industrial comp	4,197	30	4,257	1,236	6.90	0.18	0.25	1.0	22.0
420	**Tokyu Dept Store**/retailing	4,167	-6	3,306[1]	1,314	4.78	-0.02	0.15	1.3	5.1[2]
425	**Chiba Bank**[2]/banking	4,151	115	62,454[1]	5,210	6.70	0.16	0.17	0.6	4.9
426	■**Shiseido**/personal care	4,147	120	4,243[1]	4,271	10.97	0.31	0.36	0.8	3.6[2]
429	**Asahi Breweries**/bev & tobacco	4,111	36	16,302	3,792	9.09	0.09	0.10	0.7	6.9
433	**Sumitomo Metal Mining**/metals-nonfer	4,043	76	4,398[1]	3,068	6.10	0.15	0.15	0.9	4.0[2]
434	**Jujo Paper**/forest products	4,035[1]	60[1]	4,973[1]	2,129	4.31	0.05E	0.06	1.3	4.5
437	■**Yamazaki Baking**/food, household	4,024	103	2,701	3,279	14.88	0.47	0.51	0.6	15.3[2]
439	**Tokyu Construction**/construction	4,020[1]	51[1]	4,894[1]	1,052	5.38	0.28E	0.32	1.6	4.5[2]
440	●**TDK**/electronic comp	4,012	162	4,710	4,419	33.61	1.23	1.24	1.2	25.8
441	**Okura & Co**/trading	3,996[1]	6[1]	2,439[1]	472	4.70	0.09E	0.09	0.8	0.8[2]
442	**Sumitomo Forestry**/construction	3,991[1]	65[1]	2,462[1]	2,425	14.88	0.40P	0.49	0.4	3.3[2]
445	**Mitsubishi Petrochemical**/chemicals	3,957[1]	185[1]	5,121[1]	3,222	6.54	0.22E	0.20	1.0	3.4[2]
446	**Iwatani International**/utilities	3,935[1]	27[1]	2,379[1]	1,344	5.56	0.13E	0.14	0.9	1.7[2]
446	**Haseko**/construction	3,935[1]	103[1]	9,541[1]	2,062	4.80	0.09P	0.16	1.8	3.2[2]
448	**General Sekiyu Group**/energy	3,911[1]	64[1]	2,697[1]	1,966	8.07	0.29P	0.40	2.2	1.4[2]
449	**Nishimatsu Construction**[2]/construction	3,908[1]	63[1]	4,384[1]	2,400	8.77	0.30P	0.32	0.8	4.9
451	**Joyo Bank**[2]/banking	3,905[1]	121[1]	46,147[1]	4,547	5.94	0.16P	0.19	0.7	4.8
452	**Isetan**/retailing	3,893[1]	71[1]	3,286[1]	3,776	17.16	0.19P	0.34	0.5	9.7

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Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

Japan

P/E 31 • Yield 1% • Market value $2,359 billion • Year-to-date price change –21%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
453	●**Toyobo**/textile apparel	3,879[1]	50[1]	4,042[1]	2,274	3.29	0.07E	0.07	1.2	8.4[2]
456	■**Konica**/leisure goods	3,857	7	4,071	1,665	4.66	0.03E	0.06	1.9	5.1[2]
457	**Yamaha**/leisure goods	3,847	43	3,423[1]	1,479	7.62	0.22	0.19	1.0	12.2[2]
461	**Sato Kogyo**/construction	3,815[1]	43[1]	5,112[1]	2,171	8.30	0.13P	0.16	0.8	5.4[2]
465	**Sumitomo Marine & Fire**[2]/insurance	3,790[1]	101[1]	15,288[1]	3,817	5.72	0.14E	0.16	1.0	6.1
467	■**Nippon Suisan Kaisha**/food, household	3,780[1]	-45[1]	2,228[1]	1,253	4.23	0.01P	0.04	0.0	3.0[2]
468	**Nissan Shatai**/automobiles	3,758[1]	22[1]	1,499[1]	531	3.38	0.09P	0.08	2.1	5.7[2]
469	**Chuo Trust & Banking**/banking	3,751[1]	75[1]	35,580[1]	3,612	15.67	0.23P	0.26	0.4	4.5[2]
471	**Mitsui Toatsu Chemicals**/chemicals	3,737[1]	110[1]	5,620[1]	2,363	3.02	0.07	0.07P	1.6	5.4[2]
475	**Mitsui Mining & Smelting**/metals-nonfer	3,617[1]	45[1]	3,122[1]	1,390	2.86	0.05E	0.04	1.1	3.8[2]
476	**Nichirei**/food, household	3,610[1]	20[1]	2,446[1]	1,491	4.82	0.06E	0.07P	1.0	2.8[2]
479	■**Shizuoka Bank**[2]/banking	3,584[1]	144[1]	54,560[1]	7,114	8.85	0.19P	0.23	0.5	5.3
483	**Mitsui Construction**[2]/construction	3,555[1]	29[1]	3,791[1]	944	4.54	0.16P	0.18	1.3	4.8
486	**Osaka Uoichiba**/trading	3,518[1]	12[1]	625[1]	299	5.34	NA	NA	1.1	0.5[2]
488	**Seibu Railway**/trucking, RR	3,497[1]	14[1]	6,151[1]	7,909	18.25	0.02E	0.04	0.2	5.7[2]
489	■**Alps Electric**/electronic comp	3,459	55	3,191[1]	1,445	8.07	0.31	0.19	1.5	15.3
490	**Kawasaki Kisen Kaisha**/shipping	3,454[1]	-22[1]	3,582[1]	1,807	3.09	0.03E	0.03	0.0	1.2[2]
491	**Toyota Auto Body**[2]/automobiles	3,448[1]	28[1]	983[1]	599	6.97	0.28E	0.27	1.1	7.7
494	**Toyo Sash**/bldg materials	3,419[1]	166[1]	4,245[1]	4,928	22.64	0.63E	0.71	0.4	19.5
495	**Honshu Paper**/forest products	3,412[1]	35[1]	4,057[1]	1,457	4.22	0.06E	0.08	1.2	6.3[2]
498	**Kandenko**[2]/construction	3,405[1]	76[1]	2,658[1]	2,614	18.65	0.62P	0.73	0.3	9.6
499	**Daikin Industries**/machinery & eng	3,404	109	3,296	2,232	8.46	0.41	0.40	1.1	11.8
500	●**Kyocera**[3]/electronic comp	3,401	203	5,007	6,484	34.94	1.09	1.28	1.1	13.7[2]

P/E 15 • Yield 2% • Market value $90 billion • Year-to-date price change –8%

The elections in South Korea near the end of the year could be a watershed for the country. South Korea is still in transition from a military-run government to a civilian-run government. For the first time since the division of the nation in 1945, all presidential candidates are civilians, offering voters the full spectrum of fiscal and social policies.

All this uncertainty "may keep investors on the sidelines," says Merrill Lynch's Douglas Johnson. Korea's economic expansion, 8.4% in 1991, is much faster than that of most nations but represents a decline from the 9% growth in 1990. The GDP growth rate is expected to drop a bit this year and next but stay healthy.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
122	**Hyundai**/trading	12,814	12	380	76	15.89	2.56	2.57	3.9	0.8
126	**Ssangyong Group**/multi-industry	12,488	111	10,998	3,636	18.64	0.57	NA	5.0	23.9
208	**Hyundai Motor**/automobiles	8,326	76	7,460	1,013	18.77	1.41	1.59	4.1	44.1
227	**Pohang Iron and Steel**/metals-steel	7,946	199	13,993	2,240	24.40	2.17	2.18	2.6	25.0
256	**Korea Electric Power**/utilities	7,110[1]	1[1]	19,324[1]	9,363	15.39	NA	NA	1.3	33.6
317	**Hyundai Eng & Const**/construction	5,773	93	6,014	546	12.76	2.18	0.84	1.0	61.5
337	**Yukong**/energy	5,482	33	5,551	1,185	28.78	0.85	1.01	2.5	5.7
364	**Goldstar**/electronic comp	5,022	25	4,350	703	12.76	0.36	0.44	3.4	32.4
371	**Lucky Goldstar Intl**/trading	4,865	5	1,004	184	12.14	0.35	0.39	1.5	3.9
462	**Hyundai Motor Service**/automobiles	3,799	41	2,447	327	37.66	4.68	5.82	1.5	10.2

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NETHERLANDS

P/E 14 • Yield 4% • Market value $139 billion • Year-to-date price change 6%

Relatively small in geography and population, the Netherlands is nevertheless one of the largest investors in the U.S. The Dutch economy, however, is heavily industrialized, closely tied to Unilever, Royal Dutch and Philips Group. Although aggregate profits for those companies rose 16% in 1991, total employment slipped 5%, to 689,100. Philips is having a particularly tough time in competitive consumer electronics, but its stock is up 87% since hitting a five-year low in October 1990. The Dutch stock market sells for among the lowest price/earnings and price/book ratios in Europe with the highest dividend yields after Belgium, Spain and the U.K.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
6	●**Royal Dutch/Shell Group**/energy	102,801	4,247	105,582	77,898[5]	87.06	5.19	6.29	5.2	133.0
22	●**Unilever**/food, household	40,863	2,027	25,409	29,851[6]	102.36	7.25	8.11	3.0	292.0
35	●**Philips Group**[3]/appliances	30,479	483	29,551	6,586	21.32	1.61	2.18	0.0	264.1
56	**Intl Nederlanden Group**/insurance	24,657	842	174,132	6,709	27.18	3.41	3.92	6.3	48.7
145	●**Ahold**/retailing	11,120	143	3,143	2,389	47.95	2.87	3.45	1.9	62.8
186	●**Fortis Group**/insurance	9,246	504	42,335	3,854[7]	30.33	4.49	4.51	5.5	21.4
192	●**Akzo Group**/chemicals	9,013	370	7,941	4,067	88.49	8.04	9.42	4.1	65.2
250	●**Aegon Insurance Group**/insurance	7,295	442	41,748	3,224	68.00	9.35	8.91	6.0	11.1
294	**Schlumberger**[3]/energy	6,145	664	6,854	15,777	65.75	2.78	3.64	1.8	53.0
301	●**ABN-Amro Holding**/banking	6,054[8]	822	242,686	6,471	24.47	2.76	3.17	6.6	58.3
365	■**DSM**/chemicals	4,999	265	5,979	2,241	63.80	7.55	7.17	6.9	25.2
406	■**Hoogovens Groep**/metals-steel	4,330	10	5,412	728	32.65	0.45	-0.77	0.0	27.5
419	●**KLM**/airlines	4,179	41	6,827[1]	1,185	22.43	1.63E	2.65	2.5	28.6
435	■**Heineken**/bev & tobacco	4,034	219	4,634	3,714	92.53	5.46	6.40	1.7	24.1
477	●**Royal Nedlloyd Group**/shipping	3,609	2	3,219	720	33.31	0.10	1.19	0.0	25.3

P/E 11 • Yield 5% • Market value $130 billion • Year-to-date price change 4%

At 11 times earnings, the Spanish stock market is the cheapest of any developed country. Yet Valentin Fernandez, an analyst at Beta Capital, a brokerage firm in Madrid, says it could easily get cheaper. The Spanish economy, he explains, is growing more slowly than it was a few years ago. Fernandez expects 1992 to be uneventful. About the only Spanish industry group that he recommends now is electric utilities.

Iberdrola I—now Spain's largest utility by revenues—was formed in 1991 by the combination of Iberduero and Hidroelectrica Española. And Banco Central Hispanoamericano, now Spain's largest bank, resulted from the merger of Banco Central and Banco Hispano Americano.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
55	●**Banco Central Hispanoamer**/banking	24,890	737	95,817	6,089	35.12	4.30	4.38	6.0	38.2
87	●**Repsol**/energy	16,275	675	13,126	9,054	30.18	2.25	2.54	3.2	21.0
143	●**Banco Bilbao Vizcaya**/banking	11,255	990	92,309	6,914	29.93	4.28	4.54	5.4	29.4
162	●**Telefonica**[3]/telecomm	10,097	1,639	36,304	10,821	11.67	1.77	0.96	5.0	75.5
206	●**Banesto**/banking	8,364	504	70,842	2,827	28.63	5.50	4.09	7.1	29.8
240	**Iberdrola I**/utilities	7,576	645	31,360	6,380	7.69	0.74E	0.82	7.9	15.3
268	●**Banco Santander**/banking	6,777	684	60,256	5,405	48.59	6.15	6.91	4.9	19.8
271	●**Endesa**/utilities	6,691	904	14,168[1]	9,546	36.72	3.48	4.12	3.3	15.7
385	**Banco Exterior de Espana**/banking	4,686	283	41,006	3,611	34.27	3.29E	3.78	4.7	11.7
411	**Cepsa**/energy	4,299	127	4,187	2,105	23.60	1.26	1.49	4.2	8.5
496	**Dragados y Construcciones**/construction	3,410	122	3,242	1,230	20.70	2.00	2.03	4.3	15.8

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SWEDEN

P/E 28 • Yield 3% • Market value $111 billion • Year-to-date price change 11%

The government-dominated Swedish economy is in sharp recession. Unemployment in January was 4.1%, industrial production dropped by 5.3% from 1990 to 1991, and inflation hit a high of 13.3% in 1991. Swedish stock prices lost 1% over the last 12 months.

Swedish corporations are suffering, too. Profits at appliance maker Electrolux fell 52% in 1991 to $67 million on 6% lower revenues. Sales at Skanska, a construction company, fell 12%. But not Volvo. The automaker's sales were down 9% in 1991, but earnings climbed to $135 million, from a $4 million loss in 1990.

Although many Swedes oppose assimilation into the European Community (EC), the Swedish krona was just linked to the European Currency Unit (ECU).

1991 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
118	●**Electrolux Group**[3]/appliances	13,068	67	11,551	3,441	46.98	0.91	1.76	4.6	134.2
123	●**Volvo Group**[3]/automobiles	12,769	135	18,515	5,506	72.20	1.80	3.21	3.8	64.4
146	**Stora Group**/forest products	11,096	84	14,991	3,167	52.34	1.42	0.21	4.2	68.3
198	**Skandinaviska Enskilda Bk**/banking	8,724	335	81,523	1,820	6.91	1.27	0.85	8.4	10.8
222	**Svenska Handelsbanken**/banking	8,025	349	74,088	1,567	10.19	2.26	1.80	7.9	7.8
226	**Nordbanken Group**/banking	7,950	NA	61,229	1,485	3.46	-4.10	-1.35	0.0	6.9
241	●**LM Ericsson**[3]/elec & electron	7,572	256	8,769	5,266	25.56	1.25	0.48	2.4	68.1
285	**Procordia Group**/multi-industry	6,342	644	6,131	7,890	31.26	2.54	2.57	1.7	40.7
330	**Skanska**/construction	5,548	NA	8,857	2,567	20.38	1.57E	1.43	2.8	31.1
341	**SCA-Svenska Cellulosa**/forest products	5,424	154	7,878	3,439	20.04	0.89	0.67	2.8	32.1
404	●**SKF Group**[3]/industrial comp	4,349	-193	5,327	2,363	20.38	-1.71	0.52	3.6	45.3
431	**Nobel Industries**/aero & defense	4,084	55	6,046	1,268	2.68	0.12	0.10	0.0	22.9
474	**Trelleborg Group**/industrial comp	3,623	41	5,123	1,376	21.25	0.62	0.90	5.3	19.7
482	**NCC Group**/construction	3,559	0	4,812	223	5.01	0.00	0.48	6.9	21.9

SWITZERLAND

P/E 16 • Yield 2% • Market value $210 billion • Year-to-date price change 8%

Swiss equity prices are almost as high as its mountains. The average stock in our table sells for about $2,500 a share. But since July 1 a new law reduces the minimum statutory par value by 90%—from 100 francs to 10, thus making splits and lower trading prices more likely. Swiss companies are also now required to issue more open financial statements. Swiss businesses are being pinched by Germany's struggling economy. Switzerland's unemployment rate hit 2.6% this April. Crédit Suisse forecasts only a 0.3% growth rate for Switzerland in 1992. On the positive side: Switzerland's annual inflation is under 5%, and its bond yields are the lowest in Europe.

1991 Rank	**Company**/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
25	●**Nestle**/food, household	35,216	1,722	28,860	24,686	6,728.46	468.62	524.75	2.2	200.1
40	●**Asea Brown Boveri Group**[3]/elec & electron	28,601	581	30,497	10,888[5]	2,972.88	185.50	187.71	2.0	214.4
93	**Zurich Insurance Group**/insurance	15,203	301	49,348	5,413	2,876.76	222.11E	242.50	1.7	34.0
98	●**Ciba-Geigy Group**/chemicals	14,700	893	20,981	14,207	2,416.75	156.90	190.32	1.8	92.9
101	**Union Bank of Switzerland**/banking	14,498	848	183,911	12,298	2,629.59	183.40	50.88	3.5	27.7
116	**Swiss Bank**/banking	13,110	719	152,564	6,412	185.38	20.36	22.79	5.2	22.5
147	**Winterthur Group**/insurance	11,095	183	35,802	3,579	2,313.77	96.93	174.18	2.0	19.7
152	**Swiss Re Group**/insurance	10,836[1]	155[1]	31,640[1]	3,775	1,785.10	89.98E	95.71	1.7	23.3
160	**Credit Suisse Group**/banking	10,181	591	114,798	5,874	1,355.99	156.90	183.52	3.8	18.5
178	●**Sandoz Group**/personal care	9,372	777	11,788	14,627	1,997.94	106.70	129.15	1.2	53.4

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. [5]Combined market value for Asea AV and Brown Bovery. Price, EPS and yield are only for Brown Boveri. E: Estimate. NA: Not available. P: Preliminary.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

Switzerland

P/E 16 • Yield 2% • Market value $210 billion • Year-to-date price change 8%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
224	**Roche Group**[4]/personal care	7,985	1,033	18,477	20,889	3,165.12	119.95	135.60	0.6	55.1
331	**Richemont**/bev & tobacco	5,522[1]	328[1]	7,904[1]	11,343	10,865.09	570.44P	NA	0.3	30.9
390	**Sulzer Group**/machinery & eng	4,536	75	5,833	1,231	379.68	24.31	30.68	2.4	33.0
398	**Alusuisse-Lonza Holding**/metals-nonfer	4,416	70	4,443	1,550	348.78	32.78	37.21	2.5	25.1
412	**Baloise Group**/insurance	4,268	73	18,635[1]	1,379	1,565.40	80.89	187.64	1.3	9.3
422	**Holderbank**/bldg materials	4,162	121	7,377	1,808	3,707.52	238.50	259.18	2.2	32.2
424	**Danzas**[2]/services	4,155	10	963	393	6,265.02	158.30	979.95	1.3	16.0
427	**Swissair Group**/airlines	4,145	58	6,575	1,084	532.10	26.50	33.37	2.6	20.3

UNITED KINGDOM

P/E 18 • Yield 5% • Market value $1,070 billion • Year-to-date price change 8%

U.K. stocks continue to prop up the EAFE international equity index. From the U.K. market's low at the end of November 1987 to the end of May this year, Morgan Stanley's U.K. stock index is up 72% in U.S. dollars while the EAFE index gained less than 11%. The bull market following the elections lifted the U.K. market 15%, but prices have since retreated somewhat. The still unfolding Maxwell fiasco isn't exactly a confidence-builder, and the economy remains gripped by a nasty recession. Unemployment is at 9.6%, and GDP declined by another 0.5% in the first quarter of 1992. The good news: Inflation fell from 5.9% in 1991 to a 4.3% annual rate in April.

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
10	■**British Petroleum**/energy	57,682	725	59,469	26,987	5.00	0.14	0.24	8.2	118.1
38	●**Barclays**[3]/banking	29,480	225	262,917	10,993	6.86	0.14	0.38	7.5	111.4
48	●**National Westminster Bank**[3]/banking	27,344	-104	228,678	10,511	6.44	-0.07	0.38	6.6	102.4
61	●**British Telecom**[3]/telecomm	23,135	3,258	35,500	40,501	6.59	0.54	0.64	5.3	219.0
64	●**Imperial Chemical Inds**/chemicals	22,096	959	20,606	17,499	24.61	1.34	1.56	5.5	128.6
74	**British Aerospace**/aero & defense	18,688	249	17,603	2,437	6.46	0.88	0.60	9.4	123.2
76	●**British Gas**[3]/utilities	18,552	2,167	34,860	20,522	4.74	0.51	0.53	7.0	84.5
82	■**General Electric**/elec & electron	17,522[1]	928[1]	9,830[1]	11,112	4.10	0.35E	0.37	5.9	107.4
83	●**Prudential**/insurance	17,494	248	80,120	8,510	4.56	0.12	0.26	5.9	35.0
90	**Lloyds Bank Group**/banking	15,337	632	95,978	10,025	7.98	0.51	0.60	5.1	67.9
92	■**B. A. T Industries**/bev & tobacco	15,286	729	51,762	21,917	14.86	0.50	0.90	5.5	105.9
95	■**J Sainsbury**/retailing	15,084	760	6,680[1]	15,195	8.67	0.43	0.51	2.5	72.9
100	●**Grand Metropolitan**/multi-industry	14,513	1,192	16,100	19,354	9.35	0.60	0.64	3.1	105.0
106	**Midland Group**/banking	14,166	-87	111,134	5,987	7.63	-0.11	0.37	1.1	57.6
112	●**Tesco**/retailing	13,244	690	7,308	9,796	5.05	0.35	0.40	3.0	59.8
132	●**BTR**/multi-industry	11,929	980	15,016	17,227	8.86	0.55	0.57	4.6	105.0
159	●**Hanson**/multi-industry	10,215	1,876	29,062	20,621	4.28	0.40	0.37	6.3	70.0
164	●**Marks & Spencer**/retailing	10,049	698	7,469	16,994	6.24	0.28	0.33	2.8	48.2
167	**Royal Insurance Holdings**/insurance	9,755	-731	32,416[1]	2,077	4.28	-1.50	-0.60	6.4	26.8
182	●**British Steel**/metals-steel	9,315[1]	357[1]	10,821[1]	2,909	1.46	-0.11E	-0.90	14.7	57.5
191	●**British Airways**[3]/airlines	9,062	493	8,969	3,859	5.34	0.68	0.60	4.7	50.4
201	●**Peninsular & Oriental**/shipping	8,665	258	9,946	5,269	9.40	0.55	0.62	7.9	70.1
209	**ASDA Group**/retailing	8,299	219	4,889	1,346	0.60	0.04E	0.06	15.2	44.1
210	●**SmithKline Beecham**[3]/personal care	8,290	839	13,987	21,241	16.74	0.64	0.99	2.4	54.0
215	●**Hillsdown Holdings**/food, household	8,240	216	4,226	2,237	3.28	0.37	0.38	6.5	48.7

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. E: Estimate. NA: Not available. P: Preliminary.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

United Kingdom

P/E 18 • Yield 5% • Market value $1,070 billion • Year-to-date price change 8%

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
216	**Argyll Group**/retailing	8,203	591	4,799	7,201	6.50	0.42	0.49	3.7	43.6
218	●**National Power**/utilities	8,153	NA	6,699[1]	5,504	4.32	0.50	0.60	3.3	11.3
228	**Sun Alliance Group**/insurance	7,942	-835	29,384	4,430	5.54	-1.04	-0.40	6.3	19.5[2]
237	●**Allied-Lyons**/bev & tobacco	7,685	659	10,873	10,694	12.20	0.75	0.95	4.0	78.7
239	**Genl Accident Fire & Life**/insurance	7,619	-247	19,500	3,728	8.60	-0.39	-0.24	7.6	14.7[2]
242	**Commercial Union Assur**/insurance	7,572	-116	32,839	3,963	8.98	-0.27	-0.09	6.4	21.8
246	**Legal & General Group**/insurance	7,497	58	36,265	3,515	7.26	0.12	0.22	6.3	8.8[2]
254	●**Saatchi & Saatchi**[3]/services	7,189	-276	3,023	602	0.38	-0.25	NA	0.0	13.3
258	●**Royal Bk of Scotland**[3]/banking	7,012	24	57,243	2,807	3.62	0.04	0.15	5.9	24.6
265	**Dalgety**/food, household	6,853	152	1,571	1,767	7.76	0.67	0.70	5.8	16.8
270	■**Ladbroke Group**/leisure	6,699	272	9,339	4,732	4.37	0.28	0.29	6.2	53.4
272	●**Bass**[3]/bev & tobacco	6,683	342	10,126	10,024	11.54	0.87	0.88	3.8	90.1
276	**Guardian Royal Exchange**/insurance	6,554	-326	21,504	2,293	2.65	-0.37	-0.17	6.4	15.5
278	**Inchcape**/trading	6,441	191	3,693	4,583	9.15	0.50	0.57	3.3	36.8
281	■**Associated British Foods**/food, household	6,361	398	4,849	3,615	8.07	0.89	0.86	3.9	52.3
284	■**Boots**/retailing	6,349	456	4,676	9,111	8.82	0.45	0.51	3.3	83.7
287	●**Glaxo Holdings**/personal care	6,306	1,693	9,314	42,696	14.22	0.56	0.62	2.4	35.6
288	●**RTZ**/metals-nonfer	6,285	545	10,723	11,462	11.45	0.55	0.71	4.2	47.6
292	●**Rolls-Royce**/aero & defense	6,219	42	5,678	2,907	3.02	0.04	0.15	5.9	61.4
293	●**Thorn Emi**/appliances	6,219	277	5,315	4,828	15.28	0.85	1.06	4.9	53.8
296	**BICC Group**/industrial comp	6,108	51	3,842	1,826	6.59	0.19	0.48	7.1	41.9
300	●**Trafalgar House**/multi-industry	6,083	141	5,534	1,725	2.56	0.25	0.22	13.4	32.1
305	●**Kingfisher**/retailing	5,962	292	3,865	4,941	10.23	0.62	0.62	3.0	37.5
311	●**Tate & Lyle Group**/food, household	5,837	236	3,703	2,472	7.17	0.72	0.62	3.9	16.2
313	●**Booker**/multi-industry	5,819	134	2,159	1,829	8.60	0.64	0.71	6.2	25.6
320	●**Cadbury Schweppes**[3]/food, household	5,719	293	5,973	6,269	8.51	0.42	0.55	3.6	35.4
321	●**Tarmac**/bldg materials	5,715	23	5,321	1,905	2.51	0.30	0.11	5.3	31.7
333	●**Cable and Wireless**[3]/telecomm	5,509	477	8,946	11,353	10.52	0.43	0.68	2.9	39.0
340	■**Lonrho Group**/multi-industry	5,433	167	6,433	1,115	1.70	0.25	0.15	14.4	113.1
351	●**Powergen**/utilities	5,221	420	5,285	3,502	4.48	0.54	0.64	4.7	7.8
355	●**Guinness**/bev & tobacco	5,206	1,111	14,126	21,391	10.96	0.62	0.70	2.4	24.8
357	●**BET**/multi-industry	5,157[1]	253[1]	3,237[1]	1,954	2.62	0.17E	0.22	12.4	124.1
367	**RMC Group**/bldg materials	4,951	124	3,788	2,344	11.51	0.64	0.68	4.2	26.0
369	■**BOC Group**/chemicals	4,927	350	5,499	5,894	12.50	0.74	0.88	4.0	40.0
382	●**United Biscuits**/food, household	4,707	255	3,075	3,545	7.36	0.55	0.57	5.1	40.2
386	**Forte**/leisure	4,680	83	8,623	3,577	4.37	0.11	0.20	5.5	92.9
387	■**Great Universal Stores**/retailing	4,662[1]	532[1]	6,380[1]	6,823	27.61	2.18E	2.31	3.4	30.5
391	**Pilkington**/misc materials	4,529	47	5,141[1]	2,097	2.69	0.02	0.11	9.5	56.1
399	**Arjo Wiggins Appleton**/forest products	4,400	257	4,160	3,853	4.76	0.32	0.31	4.3	19.0
403	**Lucas Industries**/industrial comp	4,359	92	3,489	1,822	2.60	0.13	0.04	6.6	54.9
405	**Standard Chartered Group**/banking	4,343	183	43,905	2,119	9.06	0.78	1.13	5.4	28.0
423	●**Burmah Castrol**/energy	4,158	143	3,204	2,113	11.58	0.76	0.86	5.1	24.2
428	**AMEC**/construction	4,137	-37	2,191	605	3.00	-0.21	0.20	8.4	30.1
460	■**Whitbread**/bev & tobacco	3,818	279	7,168[1]	3,858	8.64	0.63	0.77	4.8	65.6
463	■**Sears**/retailing	3,799[1]	206[1]	4,096[1]	2,602	1.72	0.07E	0.09	7.5	51.1
466	●**Rank Organisation**/leisure	3,784	212	5,463	4,243	13.72	0.66	0.88	5.5	29.7
472	**W H Smith Group**/retailing	3,669	106	1,521	2,289	8.69	0.54E	0.59	3.6	30.1
487	**Reckitt & Colman**/food, household	3,516	276	3,111	4,374	11.71	0.74	0.84	3.1	23.0
492	●**Coats Viyella**/textile apparel	3,447	103	2,911	2,237	3.90	0.18	0.24	4.4	61.1
497	■**GKN**/machinery & eng	3,407	65	3,124	2,043	7.87	0.25	0.35	6.4	31.4

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. E: Estimate. NA: Not available. P: Preliminary.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

The rest of the world

This year a company had to have at least $3.4 billion in revenues to make the Forbes International 500. Japan has 195 public companies that were large enough to qualify for this report. In contrast, the following ten nations have only a handful of such large companies. It is unlikely that small European countries such as Denmark or Finland will ever make much of a contribution to our list of giant international corporations. By the same token, Panama, which contributed but a single international 500 entry, will also remain a minor player. But in the years ahead, rapidly developing nations such as Brazil and Mexico will undoubtedly corner a larger chunk of the world's industrial output. For example, last year there were only six Korean stocks in our international survey. This year, ten Korean-based corporations were able to qualify *(see p. 264)*.

Europe

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS 1991 ($)	EPS 1992E ($)	Yield (%)	Employees (thou)
Austria										
304	**OMV**/energy	5,966	122	6,080	1,893	78.87	5.05	4.32	2.2	13.4
376	**Creditanstalt**/banking	4,766	52	56,611	2,195	50.84	3.60	3.94	2.6	11.5
Denmark										
380	**Unidanmark Group**/banking	4,735	−259	44,482	1,467	31.68	−5.60	1.58	5.1	12.8
Finland										
257	**Kesko Group**/trading	7,047	26	3,478	641	7.11	0.88	0.53	3.9	8.0
334	**Repola**[4]/multi-industry	5,507	−365	8,430	1,540	10.32	−2.71	−0.44	1.4	33.4
402	**Unitas Group**/banking	4,363	−56	36,438	732	3.14	−0.18	−0.12	1.5	9.0
459	●**Nokia**[4]/multi-industry	3,822	−149	4,876	1,129	18.34	−2.37	−0.39	2.5	29.2
Norway										
175	●**Norsk Hydro**[3]/energy	9,475	−77	13,354	5,804	28.26	−0.37	1.13	2.0	35.0

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [3]U.S. GAAP. [4]International accounting standards.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

Far East

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1991 ($)	1992E ($)		
Hong Kong										
253	■**Jardine Matheson Holdings**[4]/multi-inds	7,190	271	7,248	5,170	7.81	0.51	0.58	2.1	36.0
388	●**Dairy Farm International**/retailing	4,619	147	1,803	2,703	1.65	0.09	0.11	2.8	35.8
408	■**Swire Pacific**/multi-industry	4,320	396	10,208	7,483	4.71	0.25	0.30	2.4	30.0
New Zealand										
255	●**Fletcher Challenge**/forest products	7,184	380	10,945	2,866	2.00	0.29	0.10	6.0	35.0
493	■**Brierley Investments**/multi-industry	3,424	127	6,909	1,329	0.53	0.05	0.06	8.1	20.0

Central & South America

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1991 ($)	1992E ($)		
Brazil										
37	**Banco do Brasil**/banking	29,889	662	69,712	1,070	0.08	0.06	NA	2.7	114.6
67	**Banespa Group**/banking	20,795	243	13,414	168	0.01	0.01	NA	7.6	37.1
120	**Petrobras**/energy	12,956	-619	18,052	3,724	2.63	-0.62	NA	0.0	53.9
140	**Banco Bradesco Group**/banking	11,333	428	9,689	2,233	0.05	0.01	NA	0.9	75.1
189	**Banco Itau Group**/banking	9,084	392	8,004	171	26.61	6.38	NA	1.1	49.4
302	**Bamerindus Group**/banking	6,049	83	5,007	392	0.03	0.01	NA	1.3	45.7
358	**Unibanco Group**/banking	5,154	125	4,517	320	0.07	0.05	NA	4.5	21.1
Mexico										
343	■**Telefonos de Mexico**/telecomm	5,391	2,314	12,182	30,117	2.84	0.22	NA	0.8	63.6
Panama										
484	**McDermott International**[3]/energy equip	3,524	81	3,126	1,283	25.13	1.75	1.15	4.0	29.5

Africa

1991 Rank	Company/business	Revenue ($mil)	Net income ($mil)	Assets ($mil)	Market value ($)	Stock price ($)	EPS		Yield (%)	Employees (thou)
							1991 ($)	1992E ($)		
South Africa										
139	■**Barlow Rand Group**/multi-industry	11,389	300	6,791	3,999	20.93	1.60	1.69	2.9	150.9
316	■**So African Breweries**/bev & tobacco	5,776	272	4,117	579	21.06	1.03	1.24	2.2	89.5

● Sponsored ADR. ■ Non-sponsored ADR. All figures except per-share items are in millions of U.S. dollars. General note: Revenue, net income and 1991 EPS are converted at an average rate of exchange for the fiscal year; assets are converted at fiscal year-end rate. Revenue figures are for group or consolidated operations and exclude excise taxes and duties. For companies with January, February or March fiscal year-ends, 1991 figures are used unless noted. Market value is as of May 29, 1992. [1]Figures are latest available. [2]Not fully consolidated. [3]U.S. GAAP. [4]International accounting standards. NA: Not available. P: Preliminary. *Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.*

WHERE TO FIND THE FORBES FOREIGN 500

Company/industry	**Rank**	**Page**
ABN-Amro Holding NV/Netherlands	301	266
Accor SA/France	444	252
Aegon Insurance Group/Netherlands	250	266
AGF-Assur Generales de France/France	148	252
AGIV-Aktiengesellschaft fuer/Germany	478	256
Ahold/Netherlands	145	266
Aisin Seiki Co Ltd/Japan	339	263
Ajinomoto Co/Japan	363	263
Akzo Group/Netherlands	192	266
Alcan Aluminium Ltd/Canada	236	251
Alcatel Alsthom/France	42	252
Alitalia Group/Italy	381	257
All Nippon Airways/Japan	274	262
Allianz AG Holding/Germany	57	256
Allied-Lyons Plc/UK	237	270
Alps Electric Co Ltd/Japan	489	264
Alusuisse-Lonza Holding/Switzerland	398	268
AMEC Plc/UK	428	270
Arbed SA/Belgium	315	250
Argyll Group Plc/UK	216	268
Arjo Wiggins Appleton/UK	399	270
Asahi Breweries Ltd/Japan	429	263
Asahi Chemical Industry/Japan	166	258
Asahi Glass Co Ltd/Japan	185	262
ASDA Group Plc/UK	209	268
Asea Brown Boveri Group/Switzerland	40	267
ASKO Group/Germany	269	256
Associated British Foods Plc/UK	281	270
Australia & New Zealand Banking/Australia	173	250
B. A. T Industries/UK	92	268
Baloise Group/Switzerland	412	268
Bamerindus Group/Brazil	302	273
Banca Commerciale Italiana/Italy	165	257
Banco Bilbao Vizcaya/Spain	143	266
Banco Bradesco Group/Brazil	140	273
Banco Central Hispanoamericano/Spain	55	266
Banco di Roma/Italy	324	257
Banco do Brasil/Brazil	37	273
Banco Exterior de Espana/Spain	385	266
Banco Itau Group/Brazil	189	273
Banco Santander Group/Spain	268	266
Banespa Group/Brazil	67	273
Banesto/Spain	206	266
Bank Bruxelles Lambert/Belgium	243	250
Bank of Montreal/Canada	200	251
Bank of Nova Scotia/Canada	219	251
Bank of Tokyo Ltd/Japan	71	258
Bank of Yokohama Ltd/Japan	262	262
Banque Nationale de Paris/France	45	252
Barclays Plc/UK	38	268
Barlow Rand Group/South Africa	139	273
BASF Group/Germany	47	256
Bass Plc/UK	272	270
Bayer Group Worldwide/Germany	51	256
Bayerische Hypotheken/Germany	188	256
Bayerische Vereinsbank/Germany	151	256
BCE Inc/Canada	84	251
BET Plc/UK	357	270
BICC Group/UK	296	270
BMW-Bayerische Motoren Werke/Germany	79	256
BOC Group Plc/UK	369	270
Booker Plc/UK	313	270
Boots Co Plc/UK	284	270
Bouygues/France	137	252
Bridgestone Corporation/Japan	117	258
Brierley Investments/New Zealand	493	273
British Aerospace/UK	74	268
British Airways Plc/UK	191	268
British Gas Plc/UK	76	268
British Petroleum Co/UK	10	268
British Steel Plc/UK	182	268
British Telecommunications/UK	61	268
Broken Hill Proprietary/Australia	128	250
BSN-Groupe/France	135	252
BTR Plc/UK	132	268
Groupe Bull/France	307	252
Burmah Castrol Plc/UK	423	270
Cable and Wireless/UK	333	270
Cadbury Schweppes/UK	320	270
Canadian Imperial Bank of Commerce/Canada	144	251
Canadian Pacific Ltd/Canada	196	251
Canon Inc/Japan	107	258
Carrefour/France	80	252
Casino Groupe/France	244	252
Cepsa-Cia Espanola de Petroleos/Spain	411	266
Chiba Bank/Japan	425	263
Chori Co Ltd/Japan	347	263
Chubu Electric Power/Japan	102	258
Chugoku Electric Power/Japan	282	262
Chuo Trust & Banking/Japan	469	264
Ciba-Geigy Group/Switzerland	98	267
CMB Packaging/France	392	252
Coats Viyella Plc/UK	492	270
Cockerill Sambre SA/Belgium	362	250
Coles Myer Ltd/Australia	136	250
Commercial Union Assurance/UK	242	270
Commerzbank/Germany	133	256
Commonwealth Bank Group/Australia	207	250
Comptoirs Modernes SA/France	470	252
Continental Group/Germany	323	256

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Company/industry	**Rank**	**Page**
Cosmo Oil Co Ltd/Japan	111	258
CRA Ltd/Australia	455	250
Credit Commercial de France/France	264	252
Credit Foncier de France/France	277	252
Credit Lyonnais Group/France	16	251
Credit Suisse Group/Switzerland	160	267
Creditanstalt-Bankverein/Austria	376	272
Credito Italiano SpA/Italy	233	257
CSR Limited/Australia	480	250
Dai Nippon Printing/Japan	211	262
Dai-Ichi Kangyo Bank/Japan	32	258
Daiei Inc/Japan	73	258
Daihatsu Motor Co/Japan	275	262
Daikin Industries/Japan	499	264
Daikyo/Japan	348	263
Daimaru/Japan	298	262
Daimler-Benz Group/Germany	11	256
Dainippon Ink & Chemicals/Japan	263	262
Dairy Farm International Holdings Ltd/Hong Kong	388	273
Daiwa Bank Ltd/Japan	153	258
Daiwa House Industry/Japan	318	262
Daiwa Securities Co/Japan	377	263
Dalgety Plc/UK	265	270
Danzas AG/Switzerland	424	268
Degussa AG/Germany	217	256
Delhaize "Le Lion" Group/Belgium	190	250
Deutsche Babcock Group/Germany	395	256
Deutsche Bank Group/Germany	53	256
Deutsche Lufthansa/Germany	169	256
Docks de France/France	353	252
Dragados y Construcciones SA/Spain	496	266
Dresdner Bank/Germany	91	256
NV DSM/Netherlands	365	266
Electrabel SA/Belgium	329	250
Electrolux Group/Sweden	118	267
Elf Aquitaine Group/France	23	251
Endesa/Spain	271	266
LM Ericsson Telefonaktiebolaget/Sweden	241	267
Ferruzzi/Montedison Group/Italy	103	257
Fiat Group/Italy	17	257
Fletcher Challenge/New Zealand	255	273
Forte Plc/UK	386	270
Fortis Group/Netherlands	186	266
Foster's Brewing Group/Australia	345	250
Fuji Bank Ltd/Japan	34	258
Fuji Electric Co Ltd/Japan	266	262
Fuji Heavy Industries/Japan	234	262
Fuji Photo Film/Japan	213	262
Fujita Corp/Japan	283	262
Fujitsu Ltd/Japan	50	258

Company/industry	**Rank**	**Page**
Furukawa Electric/Japan	322	262
GAN-Groupe des Assur Nationales/France	69	252
General Accident, Fire & Life/UK	239	270
General Electric Company/UK	82	268
General Sekiyu Group/Japan	448	263
Generale Bank Group/Belgium	214	250
Generale des Eaux Groupe/France	59	252
Generali Group/Italy	127	257
George Weston Ltd/Canada	177	251
GIB Group/Belgium	286	250
GKN Plc/UK	497	270
Glaxo Holdings Plc/UK	287	270
Goldstar Co Ltd/Korea	364	264
Grand Metropolitan/UK	100	268
Great Universal Stores/UK	387	270
Great-West Lifeco/Canada	366	251
GTM-Entrepose/France	375	252
Guardian Royal Exchange/UK	276	270
Guinness Plc/UK	355	270
Hachette Group/France	344	252
Hanson Plc/UK	159	268
Hanwa Company Ltd/Japan	335	263
Haseko Corp/Japan	446	263
Groupe Havas/France	383	252
Hazama Corp/Japan	361	263
Heineken NV/Netherlands	435	266
Henkel Group/Germany	235	256
Hillsdown Holdings/UK	215	268
Hino Motors Ltd/Japan	374	263
Hitachi Ltd/Japan	9	257
Hoechst Group/Germany	41	256
Hoesch Group/Germany	299	256
Hokkaido Takushoku Bank/Japan	312	262
Holderbank Financiere Glaris/Switzerland	422	268
Philipp Holzmann AG/Germany	342	256
Honda Motor Co Ltd/Japan	29	258
Honshu Paper Co Ltd/Japan	495	264
Hoogovens Groep/Netherlands	406	266
Hudson's Bay Company/Canada	400	251
Hyundai Corp/Korea	122	264
Hyundai Engineering & Construction/Korea	317	264
Hyundai Motor Co/Korea	208	264
Hyundai Motor Service/Korea	462	264
Iberdrola I/Spain	240	266
Imasco Ltd/Canada	259	251
Imperial Chemical Industries/UK	64	268
Imperial Oil Ltd/Canada	252	251
Inchcape Plc/UK	278	270
Industrial Bank of Japan/Japan	58	258
Internationale Nederlanden Group/Netherlands	56	266

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Company/industry	**Rank**	**Page**
Isetan Co Ltd/Japan	452	263
Ishikawajima-Harima Heavy Inds/Japan	230	262
Isuzu Motors Ltd/Japan	142	258
Ito Yokado Co Ltd/Japan	65	258
C Itoh & Company Ltd/Japan	1	257
Itoman Corp/Japan	325	262
Iwatani International Corp/Japan	446	263
Japan Air Lines/Japan	171	258
Jardine Matheson Holdings/Hong Kong	253	273
Joyo Bank/Japan	451	263
Jujo Paper Company Ltd/Japan	434	263
Jusco Co Ltd/Japan	155	258
Kajima Corp/Japan	86	258
Kandenko Co Ltd/Japan	498	264
Kanebo Ltd/Japan	359	263
Kanematsu Corp/Japan	19	257
Kansai Electric Power/Japan	81	258
Kao Corporation/Japan	338	263
Karstadt Group/Germany	156	256
Kaufhof/Germany	180	256
Kawasaki Heavy Industries/Japan	223	262
Kawasaki Kisen Kaisha Ltd/Japan	490	264
Kawasaki Steel Corp/Japan	183	262
Kawasho Corp/Japan	125	258
Kesko Group/Finland	257	272
Kingfisher Plc/UK	305	270
Kinki Nippon Railway/Japan	295	262
Kirin Brewery Co Ltd/Japan	297	262
KLM Royal Dutch Airlines/Netherlands	419	266
Klockner-Werke Group/Germany	410	256
Kobe Steel Ltd/Japan	157	258
Komatsu Ltd/Japan	261	262
Konica Corp/Japan	456	264
Korea Electric Power Corp/Korea	256	264
Kredietbank NV/Belgium	303	250
Kubota Corp/Japan	266	262
Kumagai Gumi Co Ltd/Japan	168	258
Kyocera Corp/Japan	500	264
Kyowa Saitama Bank Ltd/Japan	94	258
Kyushu Electric Power/Japan	212	262
L'Air Liquide Group/France	326	252
L'Oreal Group/France	308	252
John Labatt Ltd/Canada	430	251
Ladbroke Group Plc/UK	270	270
Lafarge Coppee/France	327	252
Legal & General Group/UK	246	270
Linde AG/Germany	421	256
Lloyds Bank Group/UK	90	268
Long-Term Credit Bank of Japan/Japan	85	258
Lonrho Group/UK	340	270

Company/industry	**Rank**	**Page**
Lucas Industries Plc/UK	403	270
Lucky Goldstar International/Korea	371	264
LVMH Group/France	450	252
Lyonnaise des Eaux-Dumez Group/France	89	252
M A N Group/Germany	131	256
Mannesmann Group/Germany	99	256
Marks & Spencer/UK	164	268
Marubeni Corp/Japan	3	257
Marui Co Ltd/Japan	396	263
Matra/France	438	252
Matsushita Electric Industrial/Japan	12	257
Matsushita Electric Works/Japan	225	262
Matsuzakaya Co Ltd/Japan	397	263
Mazda Motor Corp/Japan	70	258
McDermott International/Panama	484	273
Metallgesellschaft/Germany	119	256
Michelin Group/France	130	252
Midland Group/UK	106	268
Mitsubishi Bank Ltd/Japan	46	258
Mitsubishi Corp/Japan	4	257
Mitsubishi Electric Corp/Japan	54	258
Mitsubishi Heavy Industries/Japan	66	258
Mitsubishi Kasei Corp/Japan	194	262
Mitsubishi Materials Corp/Japan	197	262
Mitsubishi Motors Corp/Japan	60	258
Mitsubishi Oil Co/Japan	232	262
Mitsubishi Petrochemical Co Ltd/Japan	445	263
Mitsubishi Trust & Banking/Japan	149	258
Mitsui & Co Ltd/Japan	5	257
Mitsui Construction/Japan	483	264
Mitsui Fudosan/Japan	195	262
Mitsui Marine & Fire Insurance Co/Japan	407	263
Mitsui Mining & Smelting Co Ltd/Japan	475	264
Mitsui O.S.K. Lines Ltd/Japan	416	263
Mitsui Toatsu Chemicals/Japan	471	264
Mitsui Trust & Banking/Japan	176	262
Mitsukoshi Ltd/Japan	205	262
Munchener Ruckversicherungs/Germany	184	256
Nagase & Co Ltd/Japan	413	263
National Australia Bank Group/Australia	187	250
National Bank of Canada/Canada	473	251
National Power/UK	218	268
National Westminster Bank Group/UK	48	268
NCC Group/Sweden	482	267
NEC Corp/Japan	44	258
Nestle/Switzerland	25	267
News Corporation Ltd/Australia	202	250
Nichii Co Ltd/Japan	174	262
Nichimen Corp/Japan	18	257
Nichirei Corp/Japan	476	264

Company/industry	Rank	Page
Nintendo Co Ltd/Japan	415	263
Nippon Credit Bank/Japan	158	258
Nippon Express Co/Japan	115	258
Nippon Light Metal/Japan	393	263
Nippon Meat Packers/Japan	356	263
Nippon Mining Co Ltd/Japan	231	262
Nippon Oil Co Ltd/Japan	68	258
Nippon Steel Corp/Japan	62	258
Nippon Suisan Kaisha Ltd/Japan	467	264
Nippon Telegraph & Telephone/Japan	15	257
Nippon Yusen KK/Japan	306	262
Nippondenso Co Ltd/Japan	150	258
Nishimatsu Construction/Japan	449	263
Nissan Motor Co Ltd/Japan	14	257
Nissan Shatai Co Ltd/Japan	468	264
Nissho Iwai Corp/Japan	7	257
NKK Corp/Japan	108	258
Nobel Industries Sweden/Sweden	431	267
Oy Nokia Ab/Finland	459	272
Nomura Securities Co Ltd/Japan	373	263
Noranda/Canada	248	251
Nordbanken Group/Sweden	226	267
Norsk Hydro/Norway	175	272
Obayashi Corp/Japan	172	262
OCP-Office Commercial Pharmaceutique/France	370	252
Oji Paper Co Ltd/Japan	368	263
Oki Electric Industry/Japan	360	263
Okura & Co Ltd/Japan	441	263
Olivetti Group/Italy	260	257
OMV AG/Austria	304	272
Osaka Gas Co Ltd/Japan	394	263
Osaka Uoichiba/Japan	486	264
Oshawa Group Ltd/Canada	436	251
Pacific Dunlop Ltd/Australia	454	250
Paribas Group/France	72	252
Pechiney/France	114	252
Peninsular & Oriental Steam/UK	201	268
Petro-Canada/Canada	418	251
Petrobras-Petroleo Brasileiro/Brazil	120	273
Petrofina SA/Belgium	124	250
Peugeot Groupe SA/France	42	252
Philips Group/Netherlands	35	266
Pilkington Plc/UK	391	270
Pinault/France	279	252
Pioneer Electronic Corp/Japan	389	263
Pioneer International/Australia	414	250
Pirelli Group/Italy	204	257
Pohang Iron and Steel Co Ltd/Korea	227	264
Powergen/UK	351	270
Preussag Group/Germany	88	256

Company/industry	Rank	Page
Groupe Printemps/France	336	252
Procordia/Sweden	285	267
Promodes Group/France	109	252
Prudential Corporation Plc/UK	83	268
Rank Organisation PLC/UK	466	270
Reckitt & Colman Plc/UK	487	270
Repola Ltd/Finland	334	272
Repsol SA/Spain	87	266
Rhone-Poulenc Group/France	97	252
Cie Financiere Richemont/Switzerland	331	268
Ricoh Co Ltd/Japan	238	262
RMC Group Plc/UK	367	270
Roche Group/Switzerland	224	268
Rolls-Royce Plc/UK	292	270
Royal Bank of Canada/Canada	129	251
Royal Bank of Scotland Group/UK	258	270
Royal Dutch/Shell Group/Netherlands	6	266
Royal Insurance Holdings/UK	167	268
Royal Nedlloyd Group/Netherlands	477	266
Royal Trustco Ltd/Canada	443	251
RTZ Corporation Plc/UK	288	270
RWE Group/Germany	33	256
Saatchi & Saatchi Co/UK	254	270
J Sainsbury Plc/UK	95	268
Saint-Gobain/France	110	252
Sakura Bank/Japan	36	258
Sandoz Group/Switzerland	178	267
Sanwa Bank Ltd/Japan	31	258
Sanyo Electric Co/Japan	134	258
Sato Kogyo Co Ltd/Japan	461	264
SCA-Svenska Cellulosa/Sweden	341	267
Schering Group/Germany	458	256
Schlumberger Ltd/Netherlands	294	266
Schneider SA/France	154	252
Seagram Co Ltd/Canada	350	251
Sears Canada/Canada	481	251
Sears Plc/UK	463	270
Seibu Railway Co Ltd/Japan	488	264
Seiyu Ltd/Japan	161	258
Sekisui Chemical Co/Japan	318	262
Sekisui House Ltd/Japan	203	262
Sharp Corp/Japan	138	258
Shimizu Corp/Japan	105	258
Shinsho Corp/Japan	409	263
Shiseido Co Ltd/Japan	426	263
Shizuoka Bank/Japan	479	264
Showa Denko KK/Japan	378	263
Siemens Group/Germany	21	256
Skandinaviska Enskilda Banken/Sweden	198	267
Skanska AB/Sweden	330	267

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Company/industry	**Rank**	**Page**
SKF Group/Sweden	404	267
SME-Soc Meridionale Finanziaria/Italy	384	257
W H Smith Group Plc/UK	472	270
SmithKline Beecham Plc/UK	210	268
Snow Brand Milk Products/Japan	251	262
Societe Generale Group/France	49	252
Solvay Group/Belgium	247	250
Sony Corp/Japan	39	258
South African Breweries/South Africa	316	273
Ssangyong Group/Korea	126	264
Standard Chartered Group/UK	405	270
STET-Soc Finanziaria Telefonica/Italy	77	257
Stora Group/Sweden	146	267
Suez Group/France	28	251
Sulzer Group/Switzerland	390	268
Sumitomo Bank Ltd/Japan	30	258
Sumitomo Chemical Co Ltd/Japan	220	262
Sumitomo Corp/Japan	2	257
Sumitomo Electric Industries/Japan	199	262
Sumitomo Forestry Co Ltd/Japan	442	263
Sumitomo Marine & Fire Insurance Co/Japan	465	264
Sumitomo Metal Industries/Japan	121	258
Sumitomo Metal Mining/Japan	433	263
Sumitomo Rubber Industries/Japan	417	263
Sumitomo Trust & Banking/Japan	141	258
Sun Alliance Group/UK	228	268
Suzuki Motor Corp/Japan	179	262
Svenska Handelsbanken/Sweden	222	267
Swire Pacific/Hong Kong	408	273
Swiss Bank Corp/Switzerland	116	267
Swiss Re Group/Switzerland	152	267
Swissair Group/Switzerland	427	268
Taisei Corp/Japan	113	258
Taiyo Fishery Co Ltd/Japan	229	262
Takashimaya Co Ltd/Japan	163	258
Takeda Chemical Industries/Japan	349	263
Tarmac Plc/UK	321	270
Tate & Lyle Group/UK	311	270
TDK Corp/Japan	440	263
Teijin Ltd/Japan	379	263
Telefonica/Spain	162	266
Telefonos de Mexico SA/Mexico	343	273
Tesco Plc/UK	112	268
Thomson Corp/Canada	328	251
Thomson CSF SA/France	291	252
Thorn Emi Plc/UK	293	270
Thyssen Group/Germany	63	256
TNT Ltd/Australia	464	250
Toda Corp/Japan	354	263
Tohoku Electric Power/Japan	181	262

Company/industry	**Rank**	**Page**
Tokai Bank Ltd/Japan	78	258
Tokio Marine & Fire Insurance/Japan	221	262
Tokyo Electric Power Co/Japan	26	258
Tokyo Gas Co Ltd/Japan	332	263
Tokyu Construction/Japan	439	263
Tokyu Department Store/Japan	420	263
Tomen Corp/Japan	13	257
Tonen Corp/Japan	309	262
Toppan Printing Co/Japan	245	262
Toray Industries/Japan	249	262
Toronto-Dominion Bank/Canada	289	251
Toshiba Corp/Japan	24	258
Toshoku Ltd/Japan	273	262
Total Group/France	52	252
Toyo Sash Co Ltd/Japan	494	264
Toyo Seikan Kaisha Ltd/Japan	346	263
Toyo Trust & Banking/Japan	290	262
Toyobo Co Ltd/Japan	453	264
Toyoda Automatic Loom Works Ltd/Japan	401	263
Toyota Auto Body/Japan	491	264
Toyota Motor Corp/Japan	8	257
Toyota Tsusho Corp/Japan	96	258
Trafalgar House Plc/UK	300	270
Trelleborg Group/Sweden	474	267
UAP-Union des Assurances de Paris/France	75	252
Ube Industries Ltd/Japan	372	263
Unibanco Group/Brazil	358	273
Unidanmark Group/Denmark	380	272
Unilever/Netherlands	22	266
Union Bank of Switzerland/Switzerland	101	267
Unitas Group/Finland	402	272
United Biscuits (Holdings)/UK	382	270
Univa Inc/Canada	310	251
UNY Co Ltd/Japan	314	262
Valeo/France	485	252
VEBA Group/Germany	27	256
VEW-Vereinigte Elektrizitatswerke/Germany	432	256
VIAG Group/Germany	104	256
Volkswagen Group/Germany	20	256
Volvo Group/Sweden	123	267
Westpac Banking Group/Australia	170	250
Whitbread Plc/UK	460	270
Winterthur Group/Switzerland	147	267
Yamaha Corp/Japan	457	264
Yamaha Motor Co Ltd/Japan	352	263
Yamazaki Baking Co Ltd/Japan	437	263
Yasuda Fire & Marine Insurance/Japan	280	262
Yasuda Trust & Banking/Japan	193	262
Yukong Ltd/Korea	337	264
Zurich Insurance Group/Switzerland	93	267

Long horizon investing

Interested in parking some of your portfolio abroad? This compilation of growth companies should furnish some intriguing leads. These names tumble out of a computer when we hunt for foreign companies that score well in several criteria pointing to long-term potential. Among the criteria: a high rate of reinvestment in the business, a strong balance sheet, and good cash flow.

These 100 stocks were selected from a database of 900 foreign industrials by Thomas Nourse, a San Diego-based investment consultant who has been featured on these pages before. Nourse likes companies that generate loose cash they can reinvest for long-term growth. His last appearance here (FORBES, *Apr. 27*) featured U.S. firms that spend heavily on research and development and new plant and equipment while not spending much on debt service, overhead or dividends.

Nourse's analysis of overseas stock markets uses similar criteria but adds two more: good price momentum and low volatility. To make the list below, a stock had to be fairly stable and perform well against its home-country market index over the past 5 and 17 months. Why? Nourse doesn't want to get on board when other investors are bailing out. Price weakness may be symptomatic of some deterioration in the business that hasn't yet shown up in the reported numbers.

One company that makes the cut is Bobst S.A., a Swiss manufacturer of printing and packaging machinery. The stock recently traded in Switzerland at 3,500 Swiss francs, or $2,403. At that price, the company is going for 13 times fiscal earnings and 7 times cash flow. Bobst's long-term debt is an extremely conservative 4% of assets, and the company is paying out only 26% of its earnings as dividends.

Some of the names below, such as BMW Bayerische Motoren Werke, are very familiar. Most are not, so you'd better be prepared for high transaction costs if you want to get into them. If liquidity is important to you, do your shopping from the list that begins on page 302. Those are large foreign companies with American Depositary Receipts.

Morgan Stanley Capital International Perspective provided the data for this table. Earnings estimates are from the Institutional Brokers Estimate System.

Company/industry	Country	Recent price ($)	EPS 1991 ($)	EPS 1992E ($)	P/E	Price/ cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
Ahold/retailing	Netherlands	47.95	2.87	3.45	16.7	6.8	1.9	11,120	2,389
Allied Colloids Group/chemicals	UK	3.92	0.21	0.24	18.4	14.9	2.2	441	1,015
Allied-Lyons/bev & tobacco	UK	12.20	0.75	0.95	16.3	10.0	4.0	7,685	10,694
Argyll Group/retailing	UK	6.50	0.42	0.49	15.5	12.6	3.7	8,203	7,201
Atlas Copco/machinery & eng	Sweden	57.69	2.37	3.28	24.3	12.8	2.4	2,485	2,026
Bass/bev & tobacco	UK	11.54	0.87	0.88	13.3	13.5	3.8	6,683	10,024
BMW-Bayerische Motor/automobiles	Germany	381.34	26.31	36.39	14.5	4.3	3.2	17,980	6,834
Bobst/machinery & eng	Switzerland	2,403.02	184.80	183.86	13.0	6.7	1.9	787	641
Bongrain/food, household	France	619.32	32.44	38.48	19.1	9.3	2.7	1,725	1,192
Boots/retailing	UK	8.82	0.45	0.51	19.6	14.5	3.3	6,349	9,111

Stock prices and earnings estimates were converted into U.S. dollars using rates at May 31. Earnings and revenues for 1991 were converted using the average exchange rate for the previous 12 months at fiscal reporting date. E: Estimate. NA: Not available. *Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.*

Company/industry	Country	Recent price ($)	EPS 1991 ($)	EPS 1992E ($)	P/E	Price/ cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
Bowater/forest products	UK	15.35	0.80	0.88	19.2	12.5	3.5	2,129	3,133
Bowthorpe Holdings/electronic comp	UK	5.07	0.25	0.27	20.4	13.5	2.9	391	767
BSN-Groupe/food, household	France	209.16	10.46	12.39	20.0	9.6	1.9	11,710	11,961
Cadbury Schweppes/food, household	UK	8.51	0.42	0.55	20.3	10.8	3.6	5,719	6,269
Canon/leisure goods	Japan	11.12	0.52	0.53	21.4	7.6	0.9	13,875	8,352
Carlsberg/bev & tobacco	Denmark	51.39	2.05	2.23	25.0	14.6	0.9	1,637	3,270
China Light & Power/utilities	Hong Kong	4.46	0.22	0.25	20.1	14.9	2.8	1,532	7,390
Ciba-Geigy Group/chemicals	Switzerland	2,416.75	156.90	190.32	15.4	8.1	1.8	14,700	14,207
CSM/food, household	Netherlands	53.20	3.59	4.02	14.8	8.2	2.3	996	931
Daimler-Benz Group/automobiles	Germany	504.20	33.38	37.01	15.1	4.8	2.5	57,251	23,514
De La Rue/services	UK	11.05	0.53	0.66	20.8	16.4	2.9	721	2,106
Denny's Japan/leisure	Japan	23.89	0.98	1.04	24.5	13.2	0.8	636	703
Dragados y Construcciones/construction	Spain	20.70	2.00	2.03	10.4	11.2	4.3	3,410	1,230
Elf Aquitaine Group/energy	France	74.54	6.85	6.89	10.9	4.4	4.9	35,625	18,896
Elsevier/media	Netherlands	62.37	3.13	3.83	19.9	16.8	2.0	1,214	4,045
Farnell Electronics/electronic comp	UK	5.71	0.29	0.35	19.8	15.6	2.5	371	741
Fisons/personal care	UK	6.40	0.37	0.44	17.2	13.3	3.3	2,176	4,427
FR Group/aero & defense	UK	4.23	0.35	0.38	11.9	7.2	3.9	297	315
Fuji Photo Film/leisure goods	Japan	22.41	1.37	1.46	16.4	9.4	0.5	8,267	11,484
GEHE/personal care	Germany	615.86	18.69	26.87	32.9	20.7	2.2	3,035	1,497
Getronics/data processing	Netherlands	17.90	1.52	1.69	11.7	8.9	1.9	442	333
Glaxo Holdings/personal care	UK	14.22	0.56	0.62	25.4	22.0	2.4	6,306	42,696
Greenalls Group/bev & tobacco	UK	7.78	0.69	0.64	11.3	7.8	3.6	854	931
Guinness/bev & tobacco	UK	10.96	0.62	0.70	17.7	14.2	2.4	5,206	21,391
Hazlewood Foods/food, household	UK	2.76	0.28	0.31	9.7	7.0	5.2	1,097	642
Hero/food, household	Switzerland	4,737.38	377.27	375.90	12.6	7.6	2.4	718	538
Hitachi/elec & electron	Japan	6.31	0.28	0.30	22.5	4.6	1.4	58,234	20,661
Hoechst Group/chemicals	Germany	164.11	11.37	12.44	14.4	3.8	7.1	28,433	9,527
Hollandsche Beton Groep/construction	Netherlands	112.03	11.23	13.01	10.0	2.8	4.5	2,454	336
Hong Kong Aircraft Engineering/aero & def	Hong Kong	3.10	0.22	0.25	14.0	11.6	3.4	232	574
Inax/bldg materials	Japan	7.72	0.25	0.23	30.7	NA	0.8	2,043	1,854
Interdiscount/retailing	Switzerland	1,634.05	125.52	146.72	13.0	9.0	4.5	954	384
J Sainsbury/retailing	UK	8.67	0.43	0.51	20.2	14.5	2.5	15,084	15,195
Kao/food, household	Japan	8.46	0.25	0.31	33.8	8.6	0.9	5,474	5,059
Kingfisher/retailing	UK	10.23	0.62	0.62	16.5	11.4	3.0	5,962	4,941
Kirin Brewery/bev & tobacco	Japan	9.56	0.31	0.34	30.8	16.0	0.7	6,103	10,059
Kwik Save Group/retailing	UK	11.34	0.80	0.88	14.1	10.4	3.2	3,258	1,745
L'Aire Liquide Group/chemicals	France	148.53	7.27	8.41	20.4	9.2	2.6	5,640	7,724
Ladbroke Group/leisure	UK	4.37	0.28	0.29	15.6	10.5	6.2	6,699	4,732
Laird Group/machinery & eng	UK	6.00	0.30	0.38	19.9	9.6	4.2	927	697
Linde/machinery & eng	Germany	538.73	25.61	28.74	21.0	9.0	2.7	4,165	3,682
London International/personal care	UK	5.42	0.29	0.38	18.7	12.7	4.3	691	907
LVMH Group/bev & tobacco	France	745.41	42.71	52.59	17.5	13.7	2.5	3,906	11,742
Marks & Spencer/retailing	UK	6.24	0.28	0.33	22.3	17.9	2.8	10,049	16,994
Matsushita Electric Works/elec & electron	Japan	8.77	0.39	0.36	22.5	NA	1.1	7,976	6,308

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Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; Forbes.

Company/industry	Country	Recent price ($)	EPS 1991 ($)	EPS 1992E ($)	P/E	Price/ cash flow	Yield (%)	Revenue ($mil)	Market value ($mil)
Merkur Holding/retailing	Switzerland	2,203.91	132.50	158.81	16.6	7.3	2.0	1,604	749
Morgan Crucible/industrial comp	UK	5.58	0.35	0.40	15.8	10.5	5.5	1,111	1,198
Murata Manufacturing/electronic comp	Japan	18.02	0.99	0.86	18.2	9.8	0.7	2,100	3,719
Nestle/food, household	Switzerland	6,728.46	468.62	524.75	14.4	8.9	2.2	35,216	24,686
Nijverdal-Ten Cate/textile, apparel	Netherlands	60.65	6.25	7.13	9.7	4.4	4.0	551	229
Nippondenso/industrial comp	Japan	11.59	0.54	0.51	21.5	7.4	1.0	10,987	9,696
Nutricia/food, household	Netherlands	85.07	5.02	5.99	17.0	11.3	1.9	665	893
Onward Kashiyama/textile, apparel	Japan	10.03	0.49	0.50	20.4	NA	1.5	1,750	1,496
Oxford Instruments/electronic comp	UK	4.65	0.26	0.31	18.2	12.6	2.2	179	225
Pearson/multi-industry	UK	15.83	0.80	0.90	19.8	13.5	3.6	2,831	4,309
Pernod-Ricard/bev & tobacco	France	287.41	14.36	17.86	20.0	13.3	3.1	3,065	3,376
Petrofina/energy	Belgium	325.07	19.88	23.13	16.4	6.0	5.2	12,597	7,558
Preussag Group/multi-industry	Germany	260.16	20.81	19.78	12.5	4.6	3.7	15,646	3,836
Rentokil Group/services	UK	3.28	0.11	0.14	30.9	20.1	1.3	688	3,187
Reuters Holdings/services	UK	21.75	0.97	1.12	22.4	11.8	1.9	2,596	9,488
RMC Group/bldg materials	UK	11.51	0.64	0.68	18.0	7.0	4.2	4,951	2,344
Roche Group/personal care	Switzerland	3,165.12	119.95	135.60	26.4	17.2	0.6	7,985	20,889
Rothmans International/bev & tobacco	UK	20.09	1.49	1.70	13.5	10.8	2.3	4,180	6,398
Christian Salvesen/food, household	UK	5.38	0.30	0.35	17.7	9.5	3.1	840	1,529
Sandoz Group/personal care	Switzerland	1,997.94	106.70	129.15	18.7	11.1	1.2	9,372	14,627
Sanofi/personal care	France	205.45	9.18	11.67	22.4	10.1	3.1	3,475	3,792
Santos/energy	Australia	2.06	0.20	0.20	10.6	6.2	7.0	511	968
Schering Group/personal care	Germany	497.36	24.18	29.05	20.6	8.7	2.5	3,832	3,399
Scottish & Newcastle/bev & tobacco	UK	8.49	0.65E	0.71	13.5	8.2	4.4	2,559	3,374
Seino Transportation/trucking, RR	Japan	13.94	0.62E	0.71	23.3	11.8	0.6	2,179	2,123
Sharp/appliances	Japan	9.71	0.27	0.31	36.0	10.3	0.9	11,399	10,362
Shun Tak Holdings/shipping	Hong Kong	0.78	0.05	0.06	17.0	14.5	5.0	206	924
Siemens Group/elec & electron	Germany	434.90	21.51	27.68	20.2	5.9	2.9	44,857	23,152
SIKA Finanz/bldg materials	Switzerland	2,059.73	129.01	146.17	16.0	5.8	2.3	848	438
Singapore Airlines/airlines	Singapore	7.80	0.85	1.16	9.2	5.4	2.5	3,182	5,002
Sirti/construction	Italy	8.19	0.93	0.99	8.8	7.0	4.9	1,058	1,801
SMH/leisure goods	Switzerland	717.47	54.97	60.42	13.1	10.0	1.3	1,706	2,368
Solvay Group/chemicals	Belgium	396.13	34.61	36.50	11.4	4.4	5.1	7,462	3,282
Sophus Berendsen/multi-industry	Denmark	336.16	12.70	19.49	26.5	10.1	0.8	1,114	1,424
Swire Pacific/multi-industry	Hong Kong	4.71	0.25	0.30	18.9	11.4	2.4	4,320	7,483
Taisho Pharmaceutical/personal care	Japan	14.88	0.68	0.61	21.9	21.4	1.1	1,426	4,592
Takeda Chemical Inds/personal care	Japan	8.77	0.29	0.35	30.3	14.9	1.1	5,322	7,664
Tesco/retailing	UK	5.05	0.35	0.40	14.4	10.5	3.0	13,244	9,796
TI Group/multi-industry	UK	12.53	0.80	0.86	15.7	11.4	4.0	1,592	2,014
Tomkins/industrial comp	UK	9.18	0.50E	0.55	15.5	12.6	2.7	1,930	2,538
Toyoda Automatic Loom/machinery & eng	Japan	11.20	0.40	0.41	28.0	9.2	0.9	4,375	3,159
VEBA Group/utilities	Germany	255.37	17.47	18.41	14.6	4.4	4.6	34,468	11,525
Wessanen/food, household	Netherlands	51.82	3.32	3.88	15.6	8.9	2.9	2,080	887
Williams Holdings/bldg materials	UK	6.22	0.41	0.42	15.3	12.1	4.9	1,773	2,924
Yamanouchi Pharmaceutical/personal care	Japan	20.45	0.72	0.82	28.3	18.3	0.5	2,527	6,591

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Fewer deals, less investment

Remember a few years ago when the the media and many politicians were in a panic over foreigners buying American assets? Well, they can breathe easier. The shopping spree is over.

The Department of Commerce recently changed the way it calculates foreign investment, so previous numbers are not entirely comparable. Nevertheless, the trend is quite clear. In 1991 foreigners' net investment in U.S. assets—net purchases of U.S. government obligations, bank deposits and direct investment in U.S. plant and equipment—was $67 billion. Compare that with 1990's $86 billion and 1988's record $219 billion.

Securities Data Co., a New Jersey-based research firm that compiles data on mergers and acquisitions, reports that the total value of cross-border deals announced during 1991 involving a U.S. target was $43 billion, versus $74 billion in 1990. Last year there weren't any multi-billion-dollar buyouts to rival the 1990 acquisition of MCA by Matsushita Electric Industrial from Japan (for $7.4 billion) or of Fireman's Fund by Germany's Allianz A.G. Holding (for $3.1 billion).

In a dynamic world economy, this list changes from year to year. For example, Canada's Campeau Corp. (ranked sixth in 1991) lost control of Federated Department Stores and Allied Stores and no longer qualifies for this list. Also deleted is Britain's Beazer Plc., which was acquired by Hanson Plc. (number eight on the list).

France's Carrefour was dropped because its ownership of both Costco Wholesale and Office Depot fell below 20%. (A foreign company must have a minimum 20% interest in its U.S. subsidiary to be considered for our table.)

1991 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
1	**Seagram Co Ltd***	Canada	El du Pont de Nemours*	25	chemicals, energy	38,151	1,403.0	36,117
			J E Seagram	100	beverages	3,852	437.0	9,315
						42,003		
2	**Royal Dutch/Shell Group***	Netherlands/UK	Shell Oil	100	energy, chemicals	22,201	20.0	27,998
3	**British Petroleum Plc***	UK	BP America	100	energy	15,829	NA	NA
			Standard Oil	100	energy			
4	**Tengelmann Group**	Germany	Great A&P Tea*	53	supermarkets	11,591	70.7	3,213
5	**B.A.T Industries Plc***	UK	Brown & Williamson Tobacco	100	tobacco	3,490	NA	NA
			Farmers Group	100	insurance	1,435	422.2	5,344
	Imasco Ltd	Canada	Hardee's Food Systems	100	fast food	4,375	NA	NA
						9,300		
6	**Petroleos de Venezuela, SA**	Venezuela	Citgo Petroleum	100	refining, marketing	8,922	143.6	3,262
7	**Unilever NV*** **Unilever Plc***	Netherlands UK	Unilever United States	100	food proc, pers prods	8,855	2.0	9,056
8	**Hanson Plc***	UK	Hanson Industries	100	multicompany	6,773	660.2	13,222
			Beazer USA	100	const materials	1,400	NA	4,000
			Smith Corona*	48	office supplies	383	19.6	182
			Ground Round Restaurant*	33	restaurant chain	162	-1.7	135
			MariFarms*	47	food processing	70	-3.3	53
						8,788		
9	**Sony Corp***	Japan	Sony Music Entertainment	100	music entertainment	8,337	NA	NA
			Sony Picture Entertainment	100	movies			
			Sony Corp of America	100	consumer electronics			
10	**Grand Metropolitan Plc***	UK	Burger King	100	fast food	8,033	NA	8,289
			Grand Metropolitan USA	100	beverages, retailing			
			Pillsbury	100	food processors			
11	**Nestle SA***	Switzerland	Nestle USA	100	food processing	7,849	NA	NA
			Alcon Laboratories	100	pharmaceuticals			
12	**Ito-Yokado**	Japan	Southland*	70	convenience stores	7,566	-74.3	2,596
13	**Hoechst AG***	Germany	Hoechst Celanese	100	chemicals	6,794	172.0	6,630

*Publicly traded in the U.S. in shares or ADRs. Note: Some foreign investors on the list own U.S. companies indirectly through companies in italics. E: Estimate. NA: Not available.

1991 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
14	**Delhaize "Le Lion" SA**	Belgium	Food Lion*	50	supermarkets	6,439	205.2	1,992
15	**Bayer AG***	Germany	Miles	100	chemicals, health care	6,197	101.0	5,111
16	**Rhone-Poulenc SA***	France	Rhone-Poulenc	100	chemicals	2,300	NA	3,400
			Rhone-Poulenc Rorer*	66	pharmaceuticals	3,824	326.5	4,116
						6,124		
17	**Philips Electronics NV***	Netherlands	North American Philips	100	electronics	6,065	8.1	3,044
18	**Imperial Chemical Industries Plc***	UK	ICI Americas	100	chemicals, drugs, paint	6,000	NA	NA
19	**Franz Haniel & Cie**	Germany	Scrivner	100	food distribution	6,000	NA	NA
			Gateway Foods	100	food distribution			
20	**Pechiney**	France						
	Pechiney International	France	American National Can	100	packaging	4,453	NA	6,929
			Howmet	100	gas turbines	925	NA	
			Other companies	100	aluminum	538	NA	
						5,916		
21	**Honda Motor Company Ltd***	Japan	Honda of America Mfg	100	automotive	5,800E	NA	NA
22	**Toyota Motor Corp***	Japan	Toyota Motor Mfg	100	automotive	2,600E	NA	NA
			New United Motor Mfg	50	automotive	1,900E	NA	NA
	Nippondenso Co Ltd*	Japan	Nippondenso America	100	auto parts	1,249	NA	NA
						5,749		
23	**Bridgestone***	Japan	Bridgestone/Firestone	100	tire	5,700	-500.0	NA
24	**Ahold NV***	Netherlands	First National Supermkts	100	supermarkets	2,020	NA	2,776
			BI-LO	100	supermarkets	1,625	NA	
			Giant Food Stores	100	supermarkets	997	NA	
			Tops Market	100	supermarkets	960	NA	
						5,602		
25	**ASEA AB***	Sweden						
	BBC Brown Boveri*	Switzerland						
	ABB Asea Brown Boveri	Switzerland	Asea Brown Boveri	100	power generation	5,500	NA	5,000
26	**Matsushita Electric Industrial***	Japan	Matsushita Elec Corp (Am)	100	electronics	1,700	NA	NA
			MCA	100	entertainment	3,563	NA	NA
						5,263		
27	**Volvo AB***	Sweden	Hertz Corporation	26	car rental	2,626	51.9	3,824
			Volvo GM Heavy Truck	83	automotive	1,300E	NA	NA
			VME Americas	25	automotive	237	NA	NA
	Regie Nationale des Usines Renault	France	Mack Trucks	100	automotive	1,000E	NA	NA
						5,163		
28	**News Corporation Ltd***	Australia	News America	100	media, publishing	5,134	NA	7,250E
29	**BASF AG***	Germany	BASF	100	chemicals	4,962	-47.5	3,843
30	**SmithKline Beecham Plc***	UK	SmithKline Beecham Corp	100	drugs, consumer prods	4,859	747.0	5,900
31	**BCE***	Canada						
	Northern Telecom Ltd*	Canada	Northern Telecom	100	telecommunications	4,336	NA	3,893
	Trans Canada Pipeline*	Canada	Great Lakes Gas Trans	50	gas transmission	186	55.3	NA
			Northern Border Pipeline	30	gas transmission	156	66.9	NA
			Ocean State Power Plant	40	power generation	131	30.4	NA
						4,809		
32	**Siemens AG***	Germany	Siemens Corporation	100	electronics	4,516	-130.4	4,300
33	**Brascan Ltd***	Canada						
	Noranda	Canada	Noranda US	100	minerals, forest prods	2,706	NA	2,212
	John Labatt Ltd	Canada	Johanna Dairies	100	dairy, juice products	1,540	NA	NA
			Other companies	100	package foods, brewing			
						4,246		

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THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

1991 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
34	**Ferruzzi-Montedison*Group**	Italy	Central Soya	100	food processor	2,067	NA	NA
			Himont	100	chemicals	1,811	NA	NA
			Ausimont USA	100	chemicals			
			Other companies	100	pharmaceuticals	247	NA	NA
						4,125		
35	**Ciba-Geigy Ltd***	Switzerland	Ciba-Geigy	100	chemicals, drugs	4,100	NA	3,600
36	**Prudential Corporation Plc***	UK	Jackson National Life	100	insurance	4,017	89.0	13,602
37	**Electrolux AB***	Sweden	White Consolidated	100	appliances	3,949	NA	2,993
38	**Fujitsu Ltd***	Japan	Amdahl*	44	electronics	1,702	4.4	2,336
			Fujitsu America	100	electronics	1,750	NA	NA
			Fujitsu Microelectronics	100	electronics	465	-36.0	305
						3,917		
39	**Zurich Insurance Group**	Switzerland	Zurich Insurance Group US	100	insurance	3,600	142.1	7,900
40	**Dalgety Plc**	UK	Martin-Brower	100	food distribution	3,500	NA	325
41	**Anglo Amer of S Africa***	South Africa						
	De Beers Centenary	Switzerland						
	Minorco*	Luxemborg	Engelhard*	30	metals	2,436	87.9	1,256
			Inspiration Resources*	54	agribusiness	1,033	-156.8	499
						3,469		
42	**Petrofina SA***	Belgium	Fina*	85	energy	3,336	42.0	2,861
43	**Allianz AG**	Germany	Fireman's Fund	100	insurance	3,237	126.0	9,145
44	**BTR Plc***	UK	BTR Dunlop	100	construction, controls	3,194	NA	1,900
45	**Henkel KGaA**	Germany	Clorox*	28	household products	1,646	52.7	1,603
			Henkel	100	chemicals	878	NA	NA
			Loctite*	29	chemicals	561	71.9	529
						3,085		
46	**Internationale Nederlanden Groep NV**	Netherlands	Nationale-Nederlanden US	100	insurance	3,000	NA	13,000
			Intl-Nederlanden Bank US	100	banking			
47	**Societe Nationale Elf Aquitaine***	France	Elf Aquitaine	100	oil & gas, chemicals	2,538	NA	4,435
	Elf Sanofi	France	Elf Sanofi	100	health, beauty products	434	NA	715
						2,972		
48	**Compagnies des Machines Bull***	France	Bull HN Information Sys	100	information systems	2,205	-141.0	957
			Bull Data Systems	100	information systems	764	-177.0	771
						2,969		
49	**Jefferson Smurfit Group Plc**	Ireland						
	Smurfit International BV	Netherlands	Jefferson Smurfit	50	paper, packaging	2,940	-77.1	2,460
			Container Corp of America	50	paper, packaging			
50	**Manufacturers Life Insurance**	Canada	Manufacturers Life Ins US	100	insurance	2,900E	NA	NA
51	**Power Corp of Canada**	Canada						
	Great-West Lifeco	Canada	Great-West Life Assur	99	insurance	2,837	NA	11,508
52	**Snecma**	France	CFM International	50	aviation	2,795	1.6	1,066
53	**General Electric Plc***	UK	Picker International	100	medical equipment	2,722	159.7	NA
			AB Dick	100	office equipment			
			Other companies	100	elec system & component			
54	**Thomson SA**	France	Thomson Consumer Elec	100	consumer electronics	2,669	-60.0	1,219
55	**Roche Holding Ltd**	Switzerland	Hoffmann-La Roche	100	drugs, chemicals	2,200	NA	NA
			Genentech*	61	biotechnology	467	44.3	1,231
						2,667		

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THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

1991 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
56	**Total***	France	Total Petroleum	100	energy	2,486	-6.7	1,040
			Total Minatome	100	oil & gas	164	NA	336
						2,650		
57	**Sandoz Ltd***	Switzerland	Sandoz United States	100	chemicals, drugs	2,642	NA	NA
58	**Nissan Motor Co Ltd***	Japan	Nissan Motor Mfg USA	100	automotive	2,600E	NA	NA
59	**Dainippon Ink and Chemicals**	Japan	Sun Chemical	100	printing, chemicals	1,300E	NA	NA
			Reichhold Chemicals	100	chemicals	1,000	NA	NA
			Polychrome	100	printing	300E	NA	NA
						2,600		
60	**Saint-Gobain**	France	Norton	100	building materials	1,357	NA	NA
			Certainteed	100	building materials	1,237	NA	NA
						2,594		
61	**General Accident Fire & Life Plc**	UK	Gen Accident Corp of Am	100	insurance	2,545	348.5	5,028
62	**Edmund J Safra**	Switzerland						
	Saban SA	Switzerland	Republic NY*	29	banking	2,535	227.4	31,221
63	**Broken Hill Proprietary***	Australia	Pacific Resources	100	energy	1,200E	NA	NA
			BHP Petroleum (Americas)	100	energy	600E	NA	NA
			BHP-Utah International	100	mining	700E	NA	NA
						2,500		
64	**Alcan Aluminium Ltd***	Canada	Alcan Aluminum	100	aluminum	2,497	-14.0	1,646
65	**Sun Life Assurance Co of Canada**	Canada	Sun Life of Canada (US)	100	insurance	2,019	66.1	7,226
			Sun Life's US Subs	100	insurance	442	NA	NA
						2,461		
66	**RWE AG***	Germany	Vista Chemical	100	chemicals	705	33.3	730
			Consol Energy	50	coal mining	1,752	1.4	2,588
						2,457		
67	**Daimler-Benz AG**	Germany	Freightliner	100	automotive	1,718	NA	NA
	AEG AG*	Germany	AEG	100	elec equip, electronics	700	NA	NA
			Other companies	100	elec equip, computers			
						2,418		
68	**NKK Corp***	Japan	National Steel	70	steel	2,330	-189.5	1,986
69	**Bank of Tokyo Ltd***	Japan	Union Bank*	76	banking	1,633	93.5	17,474
			Bank of Tokyo Trust	100	banking	697	2.0	9,235
						2,330		
70	**Glaxo Holdings Plc***	UK	Glaxo	100	ethical pharmaceutical	2,311	NA	NA
71	**McDermott International***	Panama	McDermott	100	heavy equipment	2,309	26.5	2,465
72	**Aegon NV***	Netherlands	Aegon USA	100	insurance	2,243	126.0	13,016
73	**Tate & Lyle Plc***	UK	A E Staley Manufacturing	90	food distr, processors	1,210	NA	NA
			PM Ag Products	100	molasses, animal feeds			
			Western Sugar	100	sugar refining	1,013	NA	NA
			Other companies	100	sugar processing			
						2,223		
74	**Confederation Life Insurance**	Canada	Confederation Life	100	insurance	2,216	NA	6,267
75	**RTZ Plc***	UK	US Borax & Chemical	100	mining, borax	1,408	NA	2,072
			US Silica	100	sand, clays			
			Kennecott	100	mining			
	RTZ Pillar Ltd	UK	Indal US	100	building products	442	NA	295
	Rio Algom Ltd*	Canada	Rio Algom	100	metals, mining	305	NA	207
						2,155		

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THE 100 LARGEST FOREIGN INVESTMENTS IN THE U.S.

1991 rank	Foreign investor	Country	US investment	% owned	Industry	Revenue ($mil)	Net income ($mil)	Assets ($mil)
76	**Mazda Motor Corp**	Japan	Mazda Motor Mfg USA	50	automotive	2,100E	NA	NA
77	**Trygg-Hansa SPP Group**	Sweden	Home Insurance Company	60	insurance	2,052	-241.0	6,129
78	**Thomson Corp**	Canada	Thomson US	100	publishing	2,050	NA	4,733
79	**Sobey Parties**	Canada	Hannaford Brothers*	26	food distribution	2,008	43.4	706
80	**WPP Group Plc***	UK	Ogilvy & Mather	100	advertising	795	NA	NA
			J Walter Thompson	100	advertising	727	NA	NA
			WPP Group USA	100	marketing services	280	NA	NA
			Hill & Knowlton	100	public relations	175	NA	NA
						1,977		
81	**National Westminster Bank Plc***	UK	Natl Westminster Bancorp	100	banking	1,974	-371.5	21,459
82	**Royal Insurance Holdings Plc**	UK	Royal USA	100	insurance	1,953	67.6	5,260
83	**George Weston Ltd**	Canada	Stroehmann Bakeries	100	bakery			
			Interbake Foods	100	bakery	793	NA	391
			Eddy Paper	100	paper products			
	Loblaw Cos	Canada	National Tea	100	supermarkets	1,134	NA	485
						1,927		
84	**Akzo NV***	Netherlands	Akzo America	100	multicompany	1,920	NA	2,000
85	**NV AMEV***	Netherlands						
	AG Groupe	Belgium						
	Fortis	Neth/Belgium	Fortis	100	insurance	1,905	93.4	4,584
86	**Bertelsmann AG**	Germany	Bertelsmann USA	100	printing, publishing	1,904	NA	NA
87	**Hongkong & Shanghai Banking Corp***	Hong Kong	Marine Midland Banks	100	banking	1,830	-189.9	16,947
88	**BOC Group Plc***	UK	BOC Group	100	gases & health care	1,818	79.7	1,758
89	**J Sainsbury Plc***	UK	Shaw's Supermarkets	100	supermarkets	1,813	NA	NA
90	**Commercial Union Assurance Plc**	UK	Commercial Union	100	insurance	1,779	101.2	4,239
91	**Canadian Pacific Ltd***	Canada	CP Rail (US)	100	railroad	930	NA	2,900
			Canadian Pacific US	100	transportation, steel			
	United Dominion Inds*	Canada	United Dominion Inds(US)	100	industrial machinery	817	NA	279
						1,747		
92	**Otto Family**	Germany	Spiegel*	87	catalog retailing	1,734	16.9	1,725
93	**United Biscuits (Holdings) Plc***	UK	Keebler	100	food processing	1,724	71.4	761
94	**Mitsubishi Motors**	Japan	Diamond-Star Motors	100	automotive	1,650	5.0	443
95	**Schneider SA**	France	Square D	100	electrical equipment	1,636	11.1	1,336
96	**Olympia & York Developments Ltd**	Canada	Landmark Land*	25	real estate	298	-250.3	2,251
	Abitibi-Price*	Canada	Abitibi-Price (US)	100	newsprint, paper prods	736	NA	412
	Trizec	Canada	Rouse*	23	property dev, banking	573	2.4	2,637
						1,607		
97	**Ifinit SA**	Luxembourg	Lear Seating	20	auto parts	1,100E	NA	NA
			Moog Automotive	100	auto parts	500E	NA	NA
						1,600		
98	**Crownx**	Canada	Crown Life Insurance (US)	55	insurance	1,100E	NA	NA
			United Health	100	health care	465	NA	393
						1,565		
99	**Pakhoed Holding**	Netherlands	Univar*	31	chemicals	1,558	-5.6	716
100	**Moore Corp Ltd***	Canada	Moore Business Forms	100	business forms	1,549	66.3	1,076

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U.S. corporations with the biggest foreign revenues

The coming year won't be easy for the overseas divisions of the 100 largest American multinationals ranked below. Columbia University's Center for International Business Cycle Research says the immediate future looks bleak for the European economies and predicts an end to the long expansion in Japan and a lackluster recovery in Canada.

But this doesn't mean that U.S. multinationals should, or will, scale back their investments abroad. Developing nations, especially in Asia and Latin America, offer tremendous growth opportunities. "Foreign countries are closing the relative [economic] gap between themselves and the United States," says Paul J. Isaac, chief economist for Mabon Securities Corp. Isaac argues that American multinationals will benefit enormously as foreign standards of living rise.

Some of the noticeable differences between this year's list and last: New York's Chemical Banking and Manufacturers Hanover combined operations to form a single multinational unit with nearly $30 billion in foreign assets. On the West Coast, BankAmerica purchased Security Pacific. Meanwhile, AT&T, ranked 26th, joined this list for the first time by purchasing NCR, long a force in overseas markets.

Why isn't Boeing, perhaps the U.S.' most successful marketer abroad, not on the list? Because we do not include export sales in calculating foreign revenue. Boeing exports billions worth of aircraft but does not have factories ouside the U.S.

We do include a company's interest in unconsolidated affiliates abroad. Thus, foreign sales of Texaco and Chevron include their respective 50% interest in $16 billion (sales) Caltex, an oil company primarily in the Far East.

If a company announced a significant divestiture after its consolidated results were reported, we excluded those revenues. Thus, ITT's foreign sales do not include the company's 30% interest in Alcatel N.V., the worldwide communications company. In March, ITT agreed to sell the majority of its Alcatel stake to its partner in the venture.

1991 Rank	Company	Revenue			Net profit[1]			Assets		
		foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total
1	**Exxon**	78,073	102,847	75.9	4,717	5,600	84.2	51,118	87,560	58.4
2	**IBM**	40,358	64,792	62.3	1,909	–564	P-D	50,210	92,473	54.3
3	**General Motors**	39,083	123,056	31.8	2,534	–4,992	P-D	43,125	184,157	23.4
4	**Mobil**	38,778[2]	56,910[2]	68.1	2,101[3]	2,435[3]	86.3	23,858	42,187	56.6
5	**Ford Motor**	34,477	88,286	39.1	–811	–2,258	35.9	55,053	174,428	31.6
6	**Texaco**[4]	24,754	49,648	49.9	1,046[3]	1,817[3]	57.6	8,497	29,671	28.6
7	**Chevron**[4]	17,180	44,984	38.2	1,130	1,293	87.4	11,566	36,959	31.3
8	**EI du Pont de Nemours**	17,086	38,151	44.8	740	1,403	52.7	14,386	36,117	39.8
9	**Citicorp**	16,848	31,839	52.9	437	–914	P-D	95,927[5]	221,897[5]	43.2
10	**Philip Morris Cos**	13,152	48,064	27.4	999	3,927	25.4	12,114	47,384	25.6

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [5] Average assets. [6] Net income before minority interest. [7] Excludes Canadian operations. [8] Pretax income. [9] Operating profit. D-P: Deficit to profit. P-D: Profit to deficit. NA: Not available.

1991 Rank	Company	Revenue			Net profit[1]			Assets		
		foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total
11	Procter & Gamble	12,327	27,026	45.6	402	1,773	22.7	7,425	20,468	36.3
12	Dow Chemical	9,728	18,807	51.7	280[6]	1,178[6]	23.8	10,876	24,727	44.0
13	General Electric	8,671[2]	60,236[2]	14.4	443	4,435	10.0	19,041	168,259	11.3
14	Xerox[4]	8,590	19,372	44.3	292	454	64.3	8,867	32,431	27.3
15	Eastman Kodak	8,537	19,419	44.0	221	17	NM	6,990	24,170	28.9
16	Digital Equipment	8,325	13,911	59.8	145	-617	P-D	6,283	11,875	52.9
17	Hewlett-Packard	8,104	14,949	54.2	251	755	33.2	5,500	11,973	45.9
18	United Technologies	8,029[2]	21,262[2]	37.8	225[6]	-966[6]	P-D	4,647	15,985	29.1
19	Coca-Cola	7,401	11,572	64.0	1,139	1,618	70.4	4,783	10,222	46.8
20	American Intl Group	7,322[7]	16,884	43.4	670[7]	1,553	43.1	28,279[7]	69,389	40.8
21	Minn Mining & Mfg	6,465	13,340	48.5	401[6]	1,186[6]	33.8	4,681	11,083	42.2
22	Amoco	6,372[2]	25,647[2]	24.8	200	1,173	17.1	10,112	30,510	33.1
23	Motorola	6,340	11,341	55.9	304	454	67.0	3,164	9,375	33.7
24	ITT	6,310	20,421	30.9	411[6]	868[6]	47.4	7,795	53,867	14.5
25	Johnson & Johnson	6,199	12,447	49.8	787	1,461	53.9	4,869	10,513	46.3
26	American Tel & Tel	5,442	63,089	8.6	68	522	13.0	5,475	53,355	10.3
27	American Express	5,162	25,763	20.0	209	789	26.5	25,283	146,441	17.3
28	JP Morgan & Co	4,975	10,314	48.2	868	1,114	77.9	48,390	103,468	46.8
29	Chrysler	4,833[2]	29,370[2]	16.5	225	-538	P-D	5,940	43,076	13.8
30	Goodyear Tire & Rubber	4,676	10,907	42.9	-10	75	D-P	3,420	8,511	40.2
31	PepsiCo	4,440	19,608	22.6	466	1,080	43.1	4,423	18,775	23.6
32	Unisys	4,431	8,696	51.0	-138	-1,393	9.9	2,406	8,432	28.5
33	Chase Manhattan	4,383	11,840	37.0	309	520	59.4	27,523	98,197	28.0
34	Bankers Trust New York	4,356	6,844	63.6	402	667	60.3	40,478	63,959	63.3
35	Bristol-Myers Squibb	4,280	11,159	38.4	474	2,056	23.1	2,971	9,416	31.6
36	Atlantic Richfield	4,208	17,037	24.7	104	709	14.7	5,905	24,492	24.1
37	Woolworth	4,203	9,914	42.4	40	-53	P-D	2,152	4,618	46.6
38	Aluminum Co of America	4,179	9,884	42.3	399[6]	219[6]	182.2	4,782	11,178	42.8
39	American Brands	4,102	8,379	49.0	408	806	50.6	4,024	15,116	26.6
40	Merck	3,986	8,603	46.3	404	2,122	19.0	2,903	9,499	30.6
41	Tenneco	3,949	13,662	28.9	-583	-674	86.5	5,371	18,696	28.7
42	Sears, Roebuck	3,941	57,242	6.9	2	1,279	0.2	2,841	106,435	2.7
43	CPC International	3,881	6,189	62.7	220[6]	416[6]	52.9	2,927	4,510	64.9
44	UAL	3,870	11,663	33.2	NA	-332	NA	NA	9,876	NA
45	Colgate-Palmolive	3,864[7]	6,060	63.8	73	125	58.4	2,224[7]	4,511	49.3
46	Sara Lee	3,799	12,381	30.7	325	535	60.7	3,360	8,122	41.4
47	Safeway	3,786	15,119	25.0	30	79	38.0	1,156	5,181	22.3
48	Kmart[4]	3,610	37,970	9.5	NA	859	NA	1,372	16,446	8.3
49	Salomon	3,517	9,175	38.3	302	507	59.6	34,106	97,402	35.0
50	Chemical Banking	3,472	14,145	24.5	138	154	89.6	29,479	138,930	21.2
51	Monsanto	3,228	8,864	36.4	78	296	26.4	3,153	9,227	34.2
52	Gillette	3,188	4,684	68.1	288	427	67.4	2,633	3,887	67.7
53	International Paper	3,151	12,703	24.8	133[8]	638[8]	20.8	3,671	14,941	24.6
54	Pfizer	3,141	6,950	45.2	546[6]	725[6]	75.3	3,303	9,635	34.3
55	McDonald's	2,985	6,695	44.6	325	860	37.8	5,195	11,349	45.8

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [5] Average assets. [6] Net income before minority interest. [7] Excludes Canadian operations. [8] Pretax income. [9] Operating profit. D-P: Deficit to profit. P-D: Profit to deficit. NA: Not available. NM: Not meaningful.

1991 Rank	Company	Revenue			Net profit[1]			Assets		
		foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total	foreign ($mil)	total ($mil)	foreign as % of total
56	Rhone-Poulenc Rorer	2,971	3,824	77.7	209[6]	330[6]	63.3	2,696	4,116	65.5
57	Allied-Signal	2,923	11,831	24.7	-168	-273	61.5	2,585	10,382	24.9
58	Whirlpool	2,855	6,770	42.2	23	170	13.5	2,306[7]	6,445	35.8
59	Apple Computer	2,824	6,309	44.8	420	310	135.5	1,201	3,494	34.4
60	HJ Heinz	2,784	6,647	41.9	265	568	46.7	2,281	4,935	46.2
61	Halliburton	2,726[2]	7,019[2]	38.8	8[6]	29[6]	27.6	1,585	5,017	31.6
62	RJR Nabisco	2,712	14,989	18.1	363[8]	648[8]	56.0	2,862	32,131	8.9
63	AMR	2,700	12,887	21.0	NA	-240	NA	NA	16,208	NA
64	Cigna	2,680	18,750	14.3	-102	453	D-P	5,588	66,737	8.4
65	Federal Express	2,630	7,688	34.2	-391[9]	280[9]	D-P	1,640	5,672	28.9
66	Great A&P Tea	2,597	11,591	22.4	4	71	5.6	890	3,213	27.7
67	Caterpillar	2,584	10,182	25.4	-149[9]	-355[9]	42.0	2,499	12,042	20.8
68	Emerson Electric	2,582	7,427	34.8	167	632	26.4	2,373	6,364	37.3
69	Sun Company	2,573	10,184	25.3	-10	-132	7.6	3,031	7,143	42.4
70	BankAmerica	2,558	12,268	20.9	410	1,124	36.5	21,635	115,509	18.7
71	Aflac	2,550	3,283	77.7	126	149	84.6	8,784	10,145	86.6
72	Abbott Laboratories	2,501	6,877	36.4	200	1,089	18.4	1,739	6,255	27.8
73	WR Grace	2,489	6,049	41.1	164[6]	220[6]	74.5	1,913	6,007	31.8
74	Intel	2,450	4,779	51.3	461	819	56.3	1,221	6,292	19.4
75	TRW	2,449	7,913	30.9	2	-140	P-D	1,769	5,635	31.4
76	Warner-Lambert	2,444	5,059	48.3	-40	141	D-P	1,400	3,602	38.9
77	Texas Instruments	2,383	6,784	35.1	NA	-409	NA	2,236	5,009	44.6
78	Kellogg	2,376	5,787	41.1	218	606	36.0	1,878	3,926	47.8
79	Kimberly-Clark[4]	2,355	7,329	32.1	142	508	28.0	2,580	5,834	44.2
80	Phillips Petroleum	2,326	12,604	18.5	290	98	295.9	2,437	11,473	21.2
81	GTE	2,286	19,621	11.7	236	1,529	15.4	5,227	42,437	12.3
82	Borden	2,269	7,235	31.4	117	295	39.7	1,856	5,481	33.9
83	Rockwell International	2,236	11,927	18.7	-4	601	D-P	2,125	9,479	22.4
84	American Home Products	2,202	7,079	31.1	204	1,375	14.8	1,553	5,939	26.1
85	Ralston Purina	2,166	7,376	29.4	86	392	21.9	1,226	4,632	26.5
86	Eli Lilly	2,101	5,726	36.7	476	1,315	36.2	2,359	8,299	28.4
87	Scott Paper[4]	2,095	5,386	38.9	83	-70	P-D	2,086	6,677	31.2
88	Honeywell	2,093	6,193	33.8	150	331	45.3	1,545	4,807	32.1
89	Avon Products	2,083	3,593	58.0	130[6]	215[6]	60.5	826	1,729	47.8
90	Dresser Industries	2,052	4,670	43.9	80[6]	154[6]	51.9	1,086	3,251	33.4
91	PPG Industries	2,049	5,673	36.1	74[6]	207[6]	35.7	2,058	6,056	34.0
92	Black & Decker	2,038	4,637	44.0	148	53	279.2	2,987	5,533	54.0
93	Baxter International	2,023	8,921	22.7	241	591	40.8	1,832	9,340	19.6
94	Manpower	2,008	2,800	71.7	51[9]	82[9]	62.2	639	981	65.1
95	Bank of Boston	1,981	4,547	43.6	49	-34	P-D	5,699	32,700	17.4
96	Deere & Co	1,945	6,926	28.1	-22	-20	110.0	2,119	11,649	18.2
97	American Cyanamid	1,929	4,986	38.7	174	359	48.5	1,366	5,054	27.0
98	Compaq Computer	1,884	3,271	57.6	159	131	121.4	821	2,826	29.1
99	AMP	1,874	3,095	60.5	144	260	55.4	1,503	3,007	50.0
100	Quaker Oats	1,868	5,491	34.0	42	236	17.8	765	3,016	25.4

[1] From continuing operations. [2] Includes other income. [3] Net income before corporate expense. [4] Includes proportionate interest in unconsolidated subsidiaries or affiliates. [5] Average assets. [6] Net income before minority interest. [7] Excludes Canadian operations. [8] Pretax income. [9] Operating profit. D-P: Deficit to profit. P-D: Profit to deficit. NA: Not available.

A third degree of risk

American Depositary Receipts let U.S. investors own a piece of Reuters Holdings Plc., say, or Hitachi Ltd. without going through the hassle of purchasing stock in London or Tokyo with pounds or yen. Investing via an ADR eliminates local transfer taxes and automatically converts all aspects of the transaction—including commissions and dividend payments, as well as the price of the security itself—into U.S. dollars. But remember that there is a foreign exchange rate risk implicit in ADRs, on top of the normal volatility and underlying business risks.

An ADR is a claim of ownership on a foreign company; the shares are physically deposited in a custodian bank in the company's home country. That way they don't have to be shipped back and forth across the ocean for delivery. ADRs often represent a multiple of a foreign firm's common stock. For example, one ADR of Honda Motor equals two of Honda's Tokyo traded common.

There are two types of ADRs: sponsored and unsponsored. Sponsored ADRs have only one U.S. bank (such as The Bank of New York or Morgan Guaranty) as the depositary. Unsponsored ADRs can be issued by any depositary bank, and are somewhat riskier than sponsored ones. Reason: A company with an unsponsored ADR is under no obligation to provide financial reports to U.S. shareholders.

U.S. investors have their choice of more than 900 ADRs from 40 countries. British companies have the most ADRs traded here, roughly 220, followed by Australia, then Japan. But Brazil has only one ADR traded in the U.S. for Aracruz Celulose, a paper and pulp company. Approximately 200 ADRs trade on the three U.S. markets—New York, Nasdaq and American. The remainder trade over-the-counter and are unsponsored. Companies traded in this fashion are not necessarily corporate lightweights. The ADRs of Nestle and Daimler-Benz, for example, both trade on the pink sheets.

As the world's capital markets have converged, trading volume for ADRs has surged—by more than 19% a year since 1988, against annual increases in trading volume of U.S. securities of barely 4%. Joseph Velli, an executive vice president at The Bank of New York, estimates that about $160 billion worth of ADRs will change hands this year.

Exch	Company/business	Country	ADR price ($US)	EPS		1991 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
				1991 ($)	1992E ($)				
q	•**Aegon Insurance Group**/insurance	Netherlands	68.00	9.35	8.91	7.3	NA	6.0	1.00
q	•**Ahold**/retailing	Netherlands	47.95	2.87	3.45	16.7	6.8	1.9	1.00
q	•**Akzo Group**/chemicals	Netherlands	44.25	4.02	4.71	11.0	4.7	4.1	0.50
n	•**Alcatel Alsthom**/elec & electron	France	24.29	1.84	2.04	13.2	6.6	3.1	0.20
a	**B.A.T Industries**/bev & tobacco	UK	14.86	0.50	0.90	29.7	21.7	5.5	1.00
	BASF Group/chemicals	Germany	31.02	2.20	2.35	14.1	3.4	7.5	0.20
n	•**BET**/multi-industry	UK	10.46	0.68E	0.88	15.4	3.8	12.4	4.00
o	•**BSN-Groupe**/food, household	France	41.83	2.09	2.48	20.0	9.6	1.9	0.20
n	•**Barclays**/banking	UK	27.44	0.56	1.52	49.0	NA	7.5	4.00
n	•**Bass**/bev & tobacco	UK	23.08	1.74	1.76	13.3	13.5	3.8	2.00

Prices as of May 29, 1992. • Sponsored ADR. a: American Stock Exchange. n: New York Stock Exchange. o: Over-the-counter. q: Nasdaq. E: Estimate. NA: Not available. NM: Not meaningful.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; The Bank of New York; Forbes.

Exch	Company/business	Country	ADR price ($US)	EPS 1991 ($)	EPS 1992E ($)	1991 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
o	**Bayer Group**/chemicals	Germany	184.01	17.04	17.61	10.8	4.2	6.9	1.00
n	•**Benetton**/textile, apparel	Italy	23.24	1.62	1.82	14.3	12.4	2.1	2.00
n	•**British Airways**/airlines	UK	53.40	6.80	6.00	7.9	3.8	4.7	10.00
n	•**British Gas**/utilities	UK	47.40	5.10	5.30	9.3	8.6	7.0	10.00
n	•**British Petroleum**/energy	UK	60.00	1.68	2.88	35.7	9.9	8.2	12.00
n	•**British Steel**/metals, steel	UK	14.60	1.10E	-9.00	NM	7.7	14.7	10.00
n	•**British Telecom**/telecomm	UK	65.86	5.40	6.40	12.2	5.6	5.3	10.00
n	•**Broken Hill Proprietary**/energy	Australia	43.72	2.16E	2.44	20.3	10.6	2.8	400
n	•**Cable & Wireless**/telecomm	UK	31.56	1.29	2.04	24.5	10.1	2.9	3.00
q	•**Cadbury Schweppes**/food, household	UK	34.03	1.68	2.20	20.3	10.8	3.6	4.00
q	•**Canon**/leisure goods	Japan	55.62	2.65	2.66	21.4	7.6	0.9	5.00
o	**Cathay Pacific Airways**/airlines	Hong Kong	8.33	0.66	0.80	12.6	8.6	3.3	5.00
o	**Cheung Kong**/real estate	Hong Kong	3.45	0.29	0.39	11.9	11.8	2.6	1.00
o	**China Light & Power**/utilities	Hong Kong	4.46	0.22	0.25	20.1	14.9	2.8	1.00
n	•**Coles Myer**/retailing	Australia	28.50	1.59	1.56	17.9	10.7	3.0	3.00
o	•**Continental Group**/industrial comp	Germany	34.40	0.61	1.41	56.6	5.2	0.0	0.20
o	**Daimler-Benz Group**/automobiles	Germany	504.20	33.38	37.01	15.1	4.8	2.5	1.00
o	**Deutsche Bank Group**/banking	Germany	439.63	18.17	40.62	24.2	NA	3.3	1.00
q	•**Dresdner Bank**/banking	Germany	21.51	1.52	1.77	14.2	NA	5.4	0.10
q	•**Electrolux Group**/appliances	Sweden	46.98	0.91	1.76	51.6	5.8	4.6	1.00
o	•**Elf Aquitaine Group**/energy	France	37.27	3.43	3.45	10.9	4.4	4.9	0.50
q	•**LM Ericsson**/elec & electron	Sweden	25.56	1.25	0.48	20.5	11.6	2.4	1.00
n	•**Fiat Group**/automobiles	Italy	22.00	1.85	0.70	11.9	3.2	4.3	5.00
o	•**Fletcher Challenge**/forest products	New Zealand	20.00	2.90	1.00	6.9	4.6	6.0	10.00
q	**Fuji Photo Film**/leisure goods	Japan	44.82	2.74	2.92	16.4	9.4	0.5	2.00
q	•**Gambro**/personal care	Sweden	45.43	2.13E	2.73	21.3	12.1	1.4	1.00
n	•**Glaxo Holdings**/personal care	UK	28.44	1.12	1.24	25.4	22.0	2.4	2.00
o	•**Grand Metropolitan**/multi-industry	UK	18.70	1.20	1.28	15.6	11.9	3.1	2.00
o	•**Hafslund Nycomed**/personal care	Norway	28.58	2.64	3.20	10.8	10.8	0.9	1.00
n	•**Hanson**/multi-industry	UK	21.40	2.00	1.85	10.7	9.4	6.3	5.00
o	•**Groupe Havas**/services	France	25.13	1.16	1.26	21.8	14.9	1.9	0.25
n	•**Hitachi**/elec & electron	Japan	63.10	2.80	3.00	22.5	4.6	1.4	10.00
o	**Hoechst Group**/chemicals	Germany	82.06	5.69	6.22	14.4	3.3	7.1	0.50
n	•**Honda Motor**/automobiles	Japan	23.82	1.00	1.06	23.8	5.8	0.9	2.00
n	•**Hongkong Telecom**/telecomm	Hong Kong	37.77	2.01	2.32	18.8	16.3	3.9	30.00
o	**Hutchison Whampoa**/multi-industry	Hong Kong	12.78	0.70	0.92	18.3	14.2	3.4	5.00
n	•**Imperial Chemical Inds**/chemicals	UK	98.44	5.36	6.24	18.4	8.6	5.5	4.00
q	•**Ito-Yokado**/retailing	Japan	137.88	5.40	6.04	25.5	14.1	0.7	4.00
q	**Japan Air Lines**/airlines	Japan	11.86	-0.04E	-0.02	NM	10.3	0.7	2.00
o	•**Jardine Matheson Holdings**/multi-inds	Hong Kong	7.81	0.51	0.58	15.3	13.4	2.1	1.00
n	•**KLM Royal Dutch Airlines**/airlines	Netherlands	22.43	1.63E	2.65	13.8	2.9	2.5	1.00
o	•**Keppel**/machinery & eng	Singapore	10.26	0.36	0.40	28.5	18.5	0.8	2.00
q	**Kirin Brewery**/bev & tobacco	Japan	95.60	3.10	3.40	30.8	16.0	0.7	10.00
o	•**Komatsu**/machinery & eng	Japan	100.00	1.60	2.40	62.5	14.6	1.3	20.00
n	•**Kubota**/machinery & eng	Japan	84.60	0.40	0.83	NM	22.8	1.1	20.00

Prices as of May 29, 1992. • Sponsored ADR. a: American Stock Exchange. n: New York Stock Exchange. o: Over-the-counter. q: Nasdaq. E: Estimate. NA: Not available. NM: Not meaningful.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; The Bank of New York; Forbes.

100 U.S.-TRADED FOREIGN STOCKS

Exch	Company/business	Country	ADR price ($US)	EPS 1991 ($)	EPS 1992E ($)	1991 P/E	Price/ cash flow	Yield (%)	Ordinary shares per ADR
n	●**Kyocera**/electronic comp	Japan	69.88	2.18	2.56	32.1	15.5	1.1	2.00
o	**L'Oreal Group**/personal care	France	34.12	1.31	1.46	26.0	16.0	1.4	0.20
q	●**LVMH Group**/bev & tobacco	France	149.08	8.54	10.52	17.5	13.7	2.5	0.20
q	●**Makita**/elec & electron	Japan	15.12	0.56	0.74	27.0	13.3	0.9	1.00
n	●**Matsushita Electric Ind**/appliances	Japan	108.11	4.50	4.90	24.0	7.8	0.9	10.00
n	●**Mitsubishi Bank**/banking	Japan	13.87	0.19	0.26	73.0	NA	0.5	1.00
o	**Mitsubishi**/trading	Japan	79.90	2.50	3.00	32.0	14.4	0.8	10.00
n	●**Montedison Group**/multi-industry	Italy	14.74	0.70	0.90	21.1	3.5	2.5	10.00
q	●**NEC**/elec & electron	Japan	37.75	0.35	0.85	NM	6.0	1.0	5.00
a	●**NFC**/trucking, RR	UK	25.16	1.25	1.30	20.1	12.7	3.1	5.00
o	●**Neptune Orient Lines**/shipping	Singapore	4.13	0.13	0.14	31.8	5.1	3.0	4.00
o	**Nestle**/food, household	Switzerland	67.28	4.69	5.25	14.3	8.9	2.2	0.01
n	●**News Corp**/media	Australia	33.34	1.72	1.94	NM	10.2	0.5	2.00
o	●**Nintendo**/leisure goods	Japan	20.76	1.15	1.18	18.0	NA	0.6	0.25
q	●**Nissan Motor**/automobiles	Japan	9.90	0.60	0.26	16.5	5.2	2.2	2.00
n	●**Norsk Hydro**/energy	Norway	28.26	0.37	1.13	NM	12.5	2.0	1.00
n	●**Novo-Nordisk**/personal care	Denmark	91.48	4.18	5.04	21.9	12.7	0.7	1.00
q	●**Pacific Dunlop**/multi-industry	Australia	16.52	1.00	0.84	16.5	14.4	3.9	4.00
o	●**Petrofina**/energy	Belgium	32.51	1.99	2.31	16.4	6.0	5.2	0.10
n	●**Philips Group**/appliances	Netherlands	21.32	1.61	2.18	13.2	2.8	0.0	1.00
n	●**Pioneer Electronic**/appliances	Japan	28.91	1.19	1.28	24.3	11.8	0.7	1.00
q	●**Rank Organisation**/leisure	UK	13.72	0.68	0.88	20.2	10.5	5.5	1.00
o	●**Reed International**/media	UK	41.64	2.00	2.34	20.8	18.5	3.6	4.00
n	●**Repsol**/energy	Spain	30.18	2.25	2.54	13.4	7.1	3.2	1.00
q	●**Reuters Holdings**/services	UK	65.25	2.91	3.36	22.4	11.8	1.9	3.00
n	●**Royal Dutch Petroleum**/energy	Netherlands	87.06	5.19	6.29	16.8	6.5	5.2	1.00
o	●**Royal Nedlloyd Group**/shipping	Netherlands	16.66	0.05	0.60	NM	3.2	0.0	0.50
q	●**SKF Group**/industrial comp	Sweden	20.38	1.11	0.52	NM	17.7	3.6	1.00
o	**Siemens Group**/elec & electron	Germany	86.98	4.30	5.54	20.2	5.9	2.9	0.20
n	●**SmithKline Beecham**/personal care	UK	83.70	3.20	4.95	26.2	15.1	2.4	5.00
n	●**Sony**/appliances	Japan	33.84	2.20	1.28	15.4	4.8	1.2	1.00
o	**Swire Pacific**/multi-industry	Hong Kong	9.42	0.50	0.60	18.9	11.4	2.4	2.00
n	●**Telecom Corp New Zealand**/telecomm	New Zealand	22.06	0.17E	0.18	NM	5.6	5.2	20.00
n	●**Telefonica**/telecomm	Spain	35.01	5.31	2.88	6.6	2.7	5.0	3.00
o	**Thyssen Group**/metals-steel	Germany	149.92	9.40	10.44	15.9	3.5	6.5	1.00
q	●**Tokio Marine & Fire**/insurance	Japan	39.95	0.75	0.90	53.3	NA	0.8	5.00
n	●**Total Group**/energy	France	24.85	2.79	2.56	8.9	4.6	3.9	0.50
q	**Toyota Motor**/automobiles	Japan	23.66	1.80	1.20	13.1	6.9	1.3	2.00
n	●**Unilever**/food, household	UK	66.52	4.37	4.86	15.2	10.5	2.8	4.00
o	●**United Overseas Bank**/banking	Singapore	8.11	0.34E	0.37	23.9	NA	1.9	2.00
n	●**Vodafone Group**/telecomm	UK	70.25	3.12E	3.61	22.5	16.7	1.9	10.00
o	●**Volkswagen Group**/automobiles	Germany	51.07	4.00	4.07	12.8	3.0	4.2	0.20
q	●**Volvo Group**/automobiles	Sweden	72.20	1.80	3.21	40.1	7.9	3.8	1.00
o	●**Wellcome**/personal care	UK	17.93	0.53	0.66	33.8	23.9	1.5	1.00
n	●**Western Mining**/metals-nonfer	Australia	16.24	1.20	0.68	13.5	7.3	3.2	4.00

Prices as of May 29, 1992. ● Sponsored ADR. a: American Stock Exchange. n: New York Stock Exchange. o: Over-the-counter. q: Nasdaq. E: Estimate. NA: Not available. NM: Not meaningful.

Sources: Morgan Stanley Capital International Perspective and the International Edition of the Institutional Brokers Estimate System (IBES) via Randall-Helms DataScreen II; The Bank of New York; Forbes.

THE FORBES/BARRA WALL STREET REVIEW

BY ERIC S. HARDY

In case you hadn't noticed, the market hasn't been feeling well since January. The Dow industrial average, weighted with cyclicals, is up 4% since the start of the year, but the broader Barra All-US index is off 4%. Nasdaq stocks are off 6% so far this year.

This may be a good time to consider issues that traditionally have done relatively well in declining or flat markets. Eileen Rominger, whose $125 million Quest For Value Fund is one of 13 equity funds in Forbes' database that rate an A+ in down markets, looks for "good companies taken down [in stock price] during a period of excessive fear," she says.

One favorite is Bermuda-based Exel Ltd. It writes corporate liability policies and sells for nine times earnings. The turmoil at Lloyd's of London, explains Rominger, has prompted firms seeking excess liability coverage to shun Lloyd's in favor of actuarially sound firms like Exel.

Special focus

These stocks are all down at least 60% from their 52-week highs, yet analysts expect earnings to rise by at least 15% next year.

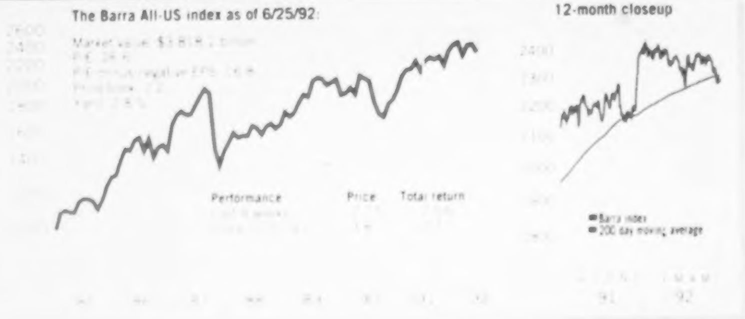
In January Vicor Corp., a manufacturer of power converters, sold for 45¾, or 97 times trailing earnings. The stock has since fallen to 17½, putting it at 31 times trailing earnings and 16 times the 1993 forecast.

On average, the ten stocks below are down 65% from their 1992 highs

Company	% Decline
Aldus	-76%
T2 Medical	-68
Sanifill	-65
House of Fabrics	-65
Fabri-Centers of Am	-64
Compression Labs	-62
Vicor	-62
Gottschalks	-62
Rohr	-61
Hancock Fabrics	-61

Source: Value Line via Lotus One Source.

The overall market



Closeup on the market

Index or investment	2 week change	% change from 1 year	% change from 5 year high
Barra All-US index	[illegible]	8.1%	-6.6%
S&P/Barra Growth index	[illegible]	9.8	-8.5
S&P/Barra Value index	[illegible]	11.7	-2.6
Dow Jones industrials	[illegible]	11.9	-3.8
S&P 500	[illegible]	7.7	-4.2
NYSE	[illegible]	8.1	-4.5
Nasdaq	[illegible]	15.1	-15.0
Amex	[illegible]	4.1	-10.7
EAFE	[illegible]	2.9	-26.1
CRB index	[illegible]	0.7	-23.3
Gold	[illegible]	5.4	-31.7
Yen	[illegible]	9.1	-23.7
Oil	[illegible]	10.2	-45.1

The best and worst performing stocks[1]

Best	Price	2-week change	1992 EPS	Worst	Price	2-week change	1992 EPS[2]
Arctic Alaska Fisheries	[illegible]	61%	$1.08	Ross Cosmetics Dist	5⅛	-62%	$0.70
Aphton	[illegible]	[illegible]	[illegible]	Gitano Group	5⅛	-57	1.12
Geico	[illegible]	[illegible]	[illegible]	AGCO	6	-56	NA
Chipcom	[illegible]	[illegible]	[illegible]	Microdyne	7⅛	-47	0.83
Exabyte	28	[illegible]	2.18	Advanced Micro Devices	8⅛	-44	2.87

The best and worst performing industry factors[3,4]

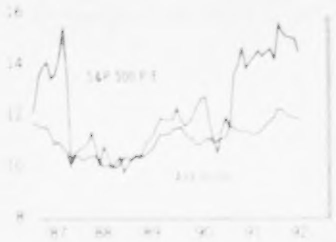
Best	2-week change	Since 12/31/91	Worst	2-week change	Since 12/31/91
Forest products	6.0%	39.8%	Beverages	-10.3%	3.9%
Tire & rubber	5.2	10.6	Oilfield services	-10.2	-4.7
Insurance	[illegible]	[illegible]	International oil	-7.5	-7.2
Agriculture	3.6	[illegible]	Coal & uranium	-6.3	-21.1
Thrifts	[illegible]	[illegible]	Trucking	-6.1	3.0

Note: Data for period ending 6/25/92. [illegible] ordinary shares of foreign stocks trading on U.S. markets. [illegible] has high historical earnings growth and has predicted above average earnings growth. [illegible] A dollar-denominated capitalization-weighted index of more than 1,000 stocks from Europe, Australia, New Zealand and the Far East. Source: Morgan Stanley Capital International Perspective. [illegible] index of 21 commodity futures. [illegible] Knight-Ridder Financial Information. [illegible] During the last two weeks. [illegible] Estimate. [illegible] relative to the industry factor after controlling for other influences including company size, value and growth characteristics. [illegible] NA: Not available. [illegible] Barra Inc., Berkeley, Calif.

WHAT THE ANALYSTS THINK

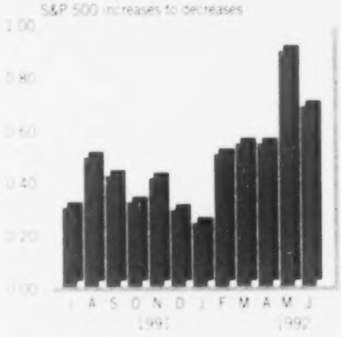
BY STEVEN RAMOS

S&P 500 P/E* vs. Aaa bonds†



*S&P 500 P/E is the recent price of the S&P 500 divided by estimated earnings over the next 12 months. †Actual and projected [illegible] by Moody's Aaa corporate bond index.

IBES estimate revisions index



Forecasting the S&P 500

Year	Estimated P/E	% change current vs. 3 months ago	Expected year-to-year EPS growth
1991†	19.4	NA	-14%
1992	15.6	-2%	24
1993	12.8	1	22

1992 estimates for IBES industry groups

Rising estimates	Falling estimates
[illegible]	[illegible]

Securities analysts are expecting an earnings rebound in cyclical sectors such as consumer durables, transportation and technology. Positive changes in the Institutional Brokers Estimate System revisions index (*center graph*) may be another good omen for the economy. In June the revisions index—the ratio of estimate increases to decreases—was at 0.7. This looks low, but it is in fact quite bullish. Wall Street analysts are overoptimistic by nature, and usually spend much of the year busily cutting the rosy forecasts they made at the beginning of the year. So seven upward revisions for every ten downward revisions in June is pretty good.

Recent history suggests that a revisions index reaching this level or higher points to an earnings gain on the S&P 500 of at least 15%. That would put S&P 500 earnings for 1992 at $24.02 (before writeoffs and other nonrecurring items). But if the analysts are right, the S&P will chalk up earnings of $25.83 this year. With the 500 now trading at 403, that puts the stock market at a multiple of 16 to 17 times likely 1992 results.

Who's hot

Greatest increase in estimates over the past three months

Company/industry	1991 EPS	1992 estimate recent	1992 estimate 3-month change	1992 estimate P/E	3-month price change	Reason
Bank of Boston/banking	$1.63	$1.68	58%	14	22%	Strong asset quality, lower expenses
Informix/software	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Increased revenues in North America, Europe and Asia
Wells Fargo/banking	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Improved net interest margin
Signet Banking/banking	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Reduced loan loss provisions, lower foreclosure costs
Goodyear Tire & Rubber/tires	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Increased sales volume, stronger pricing

Who's not

Greatest decrease in estimates over the past three months

Company/industry	1991 EPS	1992 estimate recent	1992 estimate 3-month change	1992 estimate P/E	3-month price change	Reason
AMR/airlines	$-2.88	$1.35	-67%	46	-20%	Higher fuel prices, competitive fare wars
Airborne Freight/air freight	1.39	0.83	-54	18	-43	Competitive pricing pressures, eroding margins
Michael Foods/packaged foods	1.08	0.60	-48	22	-23	Weak pricing for firm's commodity products
Deere/machinery	0.46	0.97	-48	42	-23	Reduced production and sales volumes
Lyondell Petrochemical/chemicals	2.78	[illegible]	-36	20	[illegible]	Surplus in petrochemical supply, declining margins

Note: Companies listed have a market capitalization of $100 million or more. †Actual. Earnings projections are Wall Street consensus estimates data from 3,000 security analysts compiled by the Institutional Brokers Estimate System, a service of IBES, Inc. Aaa bond yield forecasts supplied by Blue Chip Economic Advisors. NA: Not available.

Transaction costs and taxes kill most active traders. That's why no market-timing letter beats buying an index fund and standing pat.

Buy-and-hold

BY MARK HULBERT

Mark Hulbert is editor of the Alexandria, Va.-based *Hulbert Financial Digest*. His newest book is *The Hulbert Guide to Financial Newsletters* (New York Institute of Finance).

IT'S TOUGH for an active trader to beat the market when brokerage commissions and bid/ask spreads are counted. Figure in taxes for a high-bracket investor and it's next to impossible. Most active traders are losers.

To see why, let's consider the *Value Line Investment Survey* and its famed stock ranking system. *Value Line* claims a truly phenomenal performance for the investment letter—a compound annual 22.7% over the ten years through the end of 1991. (At 23% money doubles in just over three years.) That compares with the 16.4% total return of the Wilshire 5000 over the period.

But that's on paper. Let's now return to the real world of taxes, spreads, commissions and the Postal Service. Assume that all trades took place at prices prevailing when *Value Line*'s recommendations hit the market, rather than the prices just before then, as *Value Line* used to do. Now assess a realistic 1% discount brokerage commission on all purchases and sales. Finally, subtract taxes at rates applicable to an upper-middle-income investor. What do you get?

I estimate a much lower number: a compound annual gain of 13.3%. Those costs reduce the theoretical profit by some 40%. (My estimate was based on the fact that the stocks in *Value Line*'s universe typically remain top ranked for less than six months; over the last decade, therefore, only rarely would *Value Line*'s gains have qualified for preferential capital gains tax treatment.)

To make a fair comparison, let's look for a real-world counterpart to the Wilshire number. An investor could have bought into the Vanguard Index 500 Fund ten years ago. He'd owe taxes on distributions but, assuming he intends to stay in the fund indefinitely, nothing on the substantial unrealized appreciation in the value of each fund share. This buy-and-hold investor would have enjoyed a compound annual return of 13.5%.

In short, the chap who just sat there, scarcely glancing at the stock quotations or the financial journals, would have done better than the chap who breathlessly acted on *Value Line*'s admittedly excellent advice in a taxable portfolio.

What *Value Line* cannot deliver with its fine record, market timing letters cannot deliver, either. In the accompanying table I show results both before and after taxes for the market timing letters in my database. (*Value Line* is included in the table on the basis of its market timing, not for its stock picking.) Not a single one beat a buy-and-hold over the past ten years. Followers of these letters may have gotten fun and excitement from all their trading, but they didn't get paid for all that time and effort.

Moral: If you are going to trade actively in a taxable account, be honest with yourself and call it sport, not business.

The market timing strategies that were hurt the least by taxes were those that switched the least. *Market Logic*, for example, which beat the other timers over the last decade on an aftertax basis (even if it didn't beat the market), advocated the least-frequent switching of any of them—the equivalent of just one switch in ten years.

If your temperament isn't suited to buying a portfolio and just sitting on it forever, there are two other things you can do to overcome the powerful drag of capital gain taxes. One is to sell losers while letting winners run. The loss positions can shelter some income from other sources, such as salaries and dividends. An alternative strategy is to do your trading in a tax-deferred account—namely, a self-directed IRA or Keogh. ■

The heavy toll on heavy traders

Newsletter (Timing System)	Pretax return[1]	Aftertax return[1]
Market Logic	17.7%	12.9%
Telephone Switch Newsletter	17.1	12.0
Bob Nurock's Advisory (Technical Market Index)	16.2	10.8
Elliott Wave Theorist (Investors)	16.3	10.4
Professional Timing Service (Supply/Demand Formula)	14.7	9.6
Value Line Investment Survey	14.5	9.3
Dow Theory Letters	13.9	8.7
Granville Market Letter	12.0	8.3
Dines Letter (Short-Term Trading Signals)	12.5	7.5
Professional Tape Reader (Mutual Fund Timing Advice)	10.3	6.2
Buying and holding an index fund	**17.1**	**13.5**

[1] Compound annual return, ten years to 12/31/91. Aftertax return uses federal tax rates appropriate for an investor with $100,000 of gross income in constant 1984 dollars, deductions equal to 20% of income (15% after 1986), and four exemptions. State taxes not included. Timer portfolios assume switches between the Vanguard Index 500 Fund and 90-day Treasury bills. No taxes deducted for gains still unrealized as of 12/31/91.

Source: Hulbert Financial Digest.

Of the ten market-timing letters for which a decade of performance is available, only one beat a buy-and-hold position for a tax-free investor. After taxes, every single timing system was worse than buying and holding.